THE DEPARTMENT OF STATE

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THE DEPARTMENT OF STATE

Bulletin

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October 15, 1956

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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The Problems of Peace

Address by Secretary Dulles [1]

I speak to you today of some of the problems of peace. That is, I know, an old subject. But it is also a very live subject.

Quincy Wright, in his *Study of War*, lists 278 wars fought between 1480 and 1941. That is three wars every 5 years. Several of these wars, including World War II, were fought after the League of Nations was formed and after the Pact of Paris had pledged all the nations to abolish war. Also several wars have been fought since the United Nations was formed in 1945. These include the Korean war, the Indochina war, and the Israeli-Arab war. Wars are today a threatening possibility in several parts of the world.

The fact is that war will be an ever-present danger until there are better-developed institutions for peace, such as an adequate body of international law, an international police force, and a reduction of national armaments. Today we live, and I fear for long shall live, under the shadow of war. Only if we are vividly conscious of this fact will we make the exertions needed to prevent war. So, I talk again today about peace.

Let us first of all recognize that war is not prevented merely by hating war and loving peace. Since the beginning, the peoples of the world have hated war and longed for peace. But that has not gained them peace. It has been amply demonstrated that the likelihood of peace is not measured by the intensity of peace-loving protestations. The Stockholm peace proposal is an example. By this ruse the Soviet rulers sought to turn the widespread urge for peace to their own uses. It contributed nothing to genuine peace. Even a sincere effort like the Pact of Paris showed the futility of attempting to abolish war without creating adequate effective compensating institutions to replace it.

The fact is that love of peace, by itself, has never been sufficient to deter war.

Deterrence of War

One of the great advances of our time is recognition that one of the ways to prevent war is to deter it by having the will and the capacity to use force to punish an aggressor. This involves an effort, within the society of nations, to apply the principle used to deter violence within a community. There, laws are adopted which define crimes and their punishment. Thus there is created a powerful deterrent to crimes of violence. This principle of deterrence does not operate 100 percent even in the best-ordered communities. But it is conceded to be effective and can be usefully extended into the society of nations. That principle was incorporated into the United Nations Charter. Article 42 authorized the Security Council to use force, and the members were required [article 43] to provide armed forces necessary for the purpose of maintaining international peace and security. However, these provisions of the charter have never been implemented because of the Soviet veto. The principle of deterrence has had to find expression in collective self-defense arrangements authorized by article 51 of the charter.

The United States now has such collective self-defense arrangements with 42 other nations. These are designed to give advance notice to any potential aggressor that an attack upon one would

[1] Made at Williams College, Williamstown, Mass., on Oct. 6 (press release 525 dated Oct. 5).

involve a reaction by many, including the United States, designed to punish the aggressor to such an extent as to make the aggression unprofitable.

As Senator Vandenberg said in the Senate as he sponsored the North Atlantic Treaty:

> Its invincible power for peace is the awesome fact that any aggressor upon the North Atlantic Community knows in advance that from the very moment he launches his conquest he will forthwith face whatever cumulative opposition these United Allies in their own wisdom deem necessary to beat him to his knees and to restore peace and security.

Through the development of "this 'knock-out' admonition"—to use another of Vandenberg's phrases—a considerable barrier to war has been erected. But it would be folly to consider that the admonition alone constitutes an impenetrable barrier to war. Its effectiveness depends upon the continuing possession within the collective group of both the will and the capacity to act effectively if there should be aggression. The military program of the United States, including so-called foreign aid, represents the cost of this form of peace insurance. It is necessary insurance, although concededly only partial insurance.

Peace With Justice

Another aspect of the problem is that there can never, in the long run, be real peace unless there is justice and law. Even today there are grave injustices such as the servitude of the Soviet satellites and the division of Germany. But even if perfect justice were once achieved, it would not automatically be a condition to be perpetuated. Change is the law of life, and new conditions are constantly arising which call for remedy lest there be injustice. Such injustices tend ultimately to lead to resort to force unless other means exist.

This point is illustrated by an historical atlas. I suppose no one would feel that the political division of the world as it was 50 years ago, 100 years ago, or 500 years ago should have been perpetuated. Yet almost the only way of change has been the use of force. Within a nation, or within the family of nations, violence is inevitable unless there are peaceful means of remedying injustices when they arise.

This relationship of peace and justice was much considered at the time of the making of the United Nations Charter. The charter, as originally drafted at Dumbarton Oaks, invoked no standard of justice. The exclusive emphasis was upon peace, as though peace could be had permanently irrespective of justice.

I recall urging, in March 1945, that "the organization should be infused with an ethical spirit, the spirit of justice." I went on to say:

> I realize full well that "justice" is not readily defined. It means different things to different men. But it means something, and something very vital, to all men. The charter should require the new organization, as its first order of business, to undertake the difficult but essential task of developing conceptions of justice by which it will be guided. Only thus will it survive.

At the San Francisco conference this concept was found generally acceptable. The charter was amended accordingly. The most significant of those amendments is found in the very first article of the charter. This article 1 initially stated the purpose of the United Nations to be "to bring about by peaceful means, adjustment or settlement of international disputes which might lead to a breach of the peace." At San Francisco it was said that the peaceful settlement must be "in conformity with the principles of justice and international law."

Thus, when the United Nations deals with the problem of adjusting and settling disputes and situations which may endanger the peace, it is required to operate as a court of equity applying the principles of justice as may seem relevant to any particular set of facts.

This is not always easy to do. World public opinion readily opposes force. But it does not so readily support justice, which is often a vague and disputable concept. Nevertheless, those who love and want peace must recognize that, unless they exert themselves as vigorously for justice as they do for peace, they are not apt to have peace. Peace is a coin which has two sides. One side is the renunciation of force, the other side is the according of justice. Peace and justice are inseparable.

A very practical illustration of the interdependence of peace and justice is the present Suez Canal situation. There the Government of Egypt abruptly took to itself exclusive control of the operation of this waterway which, since its inception, had been operated through an international regime. The Egyptian Government took this action under conditions which suggested an intention to exercise this control not in the general interest but to promote the so-called "grandeur"

of Egypt by being able to exert economic pressures upon other countries and to extract tribute from them.

There are many countries for whom the Suez Canal is, in an almost literal sense, a lifeline. Their economic welfare depends upon the availability of the canal and upon its technical competence. There should be no risk of overt or covert discrimination as between users who were given the right of free and equal transit by the treaty, of perpetual duration, made in 1888. No nation should be required to live under an economic "sword of Damocles."

There has been strong worldwide sentiment against using force to right this situation. That is natural and proper. But those who are concerned about peace ought to be equally concerned about justice. Is it just, or even tolerable, that great nations which have rights under the 1888 treaty and whose economies depend upon the use of the canal should accept an exclusive control of this international waterway by a government which professes to be bitterly hostile? That is the issue now before the United Nations Security Council, and it faces that organization with a crucial test.

The Task of Waging Peace

A final point I would make to you is that peace will never be won unless there is the same constant effort to win peace as is exerted in time of war to win victory. We have seen that throughout the ages peace has been wanted; but war has been had. We also see throughout the ages that in time of war success goes not merely to those who want victory but to those who demonstrate the capacity and the sacrificial qualities needed to win it. On the other hand, peace is traditionally looked upon as a time of relaxation, when no special effort and special sacrifices are required.

The fact is that waging peace is as difficult a task as waging war. It calls for many of the same qualities and for at least some measure of sacrifice. Today this country is making considerable sacrifices in its waging of peace. These are measured by the military service of our youth; by the expenditure of about 10 percent of our gross national production for defensive purposes; by the granting of military and economic assistance to countries which are threatened and which have the will to resist; and by the sacrificial efforts of many individuals not only in the military branch of government but also notably in our diplomatic and foreign service. But even so the willingness to sacrifice is not commensurate with the need. Time after time your Government seeks the services of especially qualified persons for urgent tasks which need to be performed in the waging of peace. In time of war the persons thus sought would unhesitatingly respond. In time of peace they find reasons for not responding. The reasons may be genuine, but they reflect the general feeling that peace does not require the kind of sacrifice that would unhesitatingly be made in time of war.

Mankind will never win lasting peace so long as men use their full resources only in tasks of war. The task of peace is one that requires an effort like one required to win a great war. Why should we not make that effort? Neither voice nor pen can portray the awful horror of a third world war. Why should we not, to win the peace, develop and use the qualities that would be evoked in the effort to win a war? This is a question to be answered in national terms as we strive to institutionalize peace. Also it is a question which each one of us has to answer in personal terms. You, or some of you, may be called on to answer that question in terms of your own life effort. If you and others like you will do for peace what you would do for war, that would enable us more hopefully to face the future.

Death of President Somoza of Nicaragua

Following is the text of a statement by President Eisenhower regarding the death on September 29 of President Anastasio Somoza of Nicaragua (White House press release dated September 29).

The Nation and I personally regret the death of President Somoza of Nicaragua as a result of the dastardly attack made upon him several days ago by an assassin.

President Somoza constantly emphasized, both publicly and privately, his friendship for the United States—a friendship that persisted until the moment of his death.

Transcript of Secretary Dulles' News Conference

Press release 516 dated October 2

Secretary Dulles: I understand that there are here the representatives of 10 Latin American newspaper editors and publishers, who are here to attend a seminar sponsored by the American Press Institute of Columbia University. I am glad to welcome them here.

Now I will receive any questions.

U.S. Aid to Yugoslavia

Q. Mr. Secretary, do you have any information on the purpose of Mr. Tito's trip to the Soviet Union, and any ideas at this stage on what effect it might have on the United States aid program to Yugoslavia?

A. We believe, first, that the trip is more than a "vacation," and that it does, in fact, relate to serious matters which probably concern the relationship of the Soviet Communist Party to the satellite countries and to the relationship which those satellites have to the Soviet Union.

You may recall that when I was in Brioni last November I then had a press conference following my talk with Marshal Tito at which I expressed the view that the satellites ought to be independent,[1] and President Tito was asked whether he agreed with that and he said that he did. Now that involves some very serious questions of the relationship of the Soviet State, and Soviet Communist Party, to the satellites. Our belief is that the matters upon which President Tito is now conferring probably relate to that subject. Beyond that, I would only speculate.

Of course, in answer to the second part of your question, we naturally take account of everything that happens up to the date when the President will make his determination.

Q. Mr. Secretary, there have been reports that the Soviet Union is proposing to withdraw its troops from Eastern Europe and that that question is under discussion. Do you have anything to confirm there?

A. No, I can't confirm it.

Q. Mr. Secretary, on the question of the President's decision, is it necessary under the law for him to make an immediate flat determination on each of the questions in the act on, I believe, October 16, the end of the 90-day period?[2]

A. We don't think that it is necessary, but we are getting an opinion on that subject from the Attorney General. It seems as though, the way the act reads, there would have to be a cessation of aid at the end of the 90-day period unless and until the President made such a finding but that his finding could, perhaps, be made after that date.

Q. Has the idea of a second Panama or a second Suez ever come up lately? I know it is an old idea. I wondered if in view of the present situation it had come up again.

A. A second Suez Canal and a second Panama Canal?

Q. Yes, and through Nicaragua.

[1] Bulletin of Nov. 21, 1955, p. 833, footnote 1.

[2] Section 143 of the Mutual Security Act of 1956 (P. L. 726, 84th Cong.) reads:

"Sec. 143. Notwithstanding any other provision of law, no assistance under this title or any other title of this Act, or under any provision of law repealed by section 542 (a) of this Act, shall be furnished to Yugoslavia after the expiration of ninety days following the date of the enactment of this section, unless the President finds and so reports to the Congress, with his reasons therefor, (1) that there has been no change in the Yugoslavian policies on the basis of which assistance under this Act has been furnished to Yugoslavia in the past, and that Yugoslavia is independent of control by the Soviet Union, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that it is in the interest of the national security of the United States to continue the furnishing of assistance to Yugoslavia under this Act."

President Eisenhower approved the act on July 18, 1956.

A. Well, there has been a great deal of thought given to the matter of deepening, widening, and possibly paralleling the Suez Canal, because it is not now adequate to take tankers of large draft and large tonnage and today it is cheaper to take such tankers and large vessels around the Cape rather than to try to put them through the canal. As a matter of fact, they couldn't get through the canal as it now is.

Now the question as to whether or not that will take place in the light of current developments is a real question. A good many people are thinking now more in terms of going around the Cape of Good Hope than they are through the Suez Canal because confidence has been so shaken.

Now as far as the Panama Canal is concerned, there is thought being given to that possibility. As you know, we have a treaty with Nicaragua which contemplates the building of a canal through Nicaragua, and as the need comes for increased facilities across the Isthmus I suppose thought would be given to the alternatives of paralleling the present Panama Canal or possibly putting it in some other place where the danger of breakdown, either through natural causes or war causes, would be somewhat reduced through greater diversification.

Q. Is that something that has come up lately?

A. No.

Q. And it is not anything that you are thinking of?

A. No, not anything we are thinking of in terms of actually starting to make the dirt fly.

Suez Canal Users Association

Q. Mr. Secretary, would the United States participation in the Suez Canal, by the users association, be by executive agreement, or will it require, as in Denmark's case, congressional consent?

A. It will be purely by executive agreement; in fact, the decision has already been made. It does not involve any obligations upon the United States, and where we have an arrangement which does not involve obligations it can be taken by executive action. I was looking, for example, at the arrangement that we have with Iceland. That was a treaty in a sense, in the sense that Iceland ratified it; we did not. It is an executive agreement as far as we are concerned; it is a treaty as far as Iceland is concerned because it puts certain obligations on Iceland. It gives certain facilities to the United States. Therefore it was treated in one way in Iceland, another way in the United States. And where we make agreements which only give benefits to the United States and which impose no obligations, those can be done by executive action, as is being done in this case.

Q. What about the financial angle of the thing; that is, where will the money come from to pay the United States Government's share?

A. Well, there is no great financial problem involved. The money in the main will come currently from, we expect, those who use the association, who pay their dues into the association as their agent. Now there may be a need for some small amount of working capital to get started with. That will probably be made by small loans from the different member countries, but it would only run into a matter of a few thousand dollars apiece.

Q. By the "users" you mean the ship lines, the ship operators?

A. I mean there that loans will probably be made by the governments. The earlier current payments would be by the ships.

Policy Toward Argentina

Q. Mr. Secretary, Gainza Paz, publisher of La Prensa *in Argentina, made a statement which was published this morning. Gainza Paz made a statement this morning about American policy toward Argentina which is at variance with what you said last week. He points out, for example, that the $60-million loan to the steel mills was authorized by the Export Bank during the Eisenhower administration. He accuses both administrations of at times appeasing the Perón regime and ends his statement: "This policy of appeasement and friendship" (that is, during the Eisenhower administration) "was highlighted by the Milton Eisenhower visit in 1953, and praise was bestowed upon the dictator by outstanding United States officials." Will you discuss that?*

A. Well, you know one of the problems that we have is that sometimes people are very happy with

the results we get but are not happy with the means by which we get them. The fact is that Perón is gone, the fact is that *La Prensa* is back again in private ownership and free publication and free news. Those are both results which I guess we all welcome. Now some people think we could have gotten those results better had we more actively intervened in the internal affairs of the Argentine. As a matter of fact, that was tried by the Truman administration and it was actually that intervention which was a principal factor in bringing Perón into power. He came into power partly as a result of the resentment among the people that foreigners were trying to interfere in their internal affairs. So you see sometimes it doesn't actually get you very far to intervene openly. It often gets you backwards. The fact is that results that none of us wanted were achieved by the earlier policy; results that all of us wanted were achieved under the latter policy.

Q. Do you suggest that the United States should get the credit for Mr. Perón's departure?

A. I think we should get credit in this sense, that we did not, by our own open intervention, bring into play forces which could have kept him in power, and we allowed the natural forces to prevail which took him out of power.

Q. Mr. Secretary, could you comment upon Mr. Gainza Paz' estimate that the $60-million loan for the steel mills actually was authorized by the Export-Import Bank during the Eisenhower administration while Perón was still in power?

A. Yes. The story to which I addressed myself last week [8] was a statement which had been made that $100 million had been loaned by this Government to Perón, or upwards of that, and had been abstracted by him and largely hidden away by him in Switzerland, I believe the story was. Well, if you buy and pay for a steel mill there is no way to put that money in Switzerland as far as I know. The only money that could have been taken to Switzerland was money that was put up pursuant to the loan agreement made by the prior administration. Now this steel mill agreement, as I understand, was studied during the Perón regime, but the actual loan agreement was not signed until after Perón had gone.

[8] BULLETIN of Oct. 8, 1956, p. 545.

Q. Would you comment on the possible future use of American cotton surpluses to induce Egypt to accept a just solution?

A. That is an extremely complicated problem because cotton is not just cotton. There are all kinds of varieties of cotton. Egyptian cotton, which is of a certain fiber length, long fiber length, has uses and purposes which are not fully met by the American type of cotton, which is generally shorter staple cotton. There is cotton of South American origin, notably Peru, which is competitive with the Egyptian cotton. But I am not quite sure that our cotton can compete with Egyptian cotton. Now it may be that ways can be found if they were sought—at the moment we are not seeking them—which would be somewhat disturbing of Egypt's cotton market. But we are not now engaging in any economic war against Egypt.

Q. Mr. Secretary, I believe that you said that intervention in Argentina was tried by the Truman administration. Would you spell out what you had in mind there, how they intervened?

A. I am afraid if I get into that I would get into politics. I have already treaded pretty close to political ground. The story, I think, is very well known. You can find it without asking me.

Q. Is there a point you can start us off on as to how this was brought about?

A. No, I am afraid not.

Q. Mr. Secretary, when do you plan to go to the U.N., and what is the position of the United States in relation to the British and French at the U.N. on the Suez issue?

A. Well, I shall certainly be there on Friday when the session opens. It is possible I might go up somewhat earlier, although I have a speaking engagement here on Thursday night before the 13th Biennial Ecclesiastical Congress of the Greek Orthodox Church. Conceivably I might meet with some of the other Foreign Ministers, particularly Mr. Pineau and Mr. Selwyn Lloyd, before Friday, but my present plans, as far as they are formulated, are to go up on Friday morning.

Western European Unity

Q. Mr. Secretary, in the last week or two there has been a revival of talk of European unity both in terms of trading schemes and also political con-

sultations. I wondered if you could tell us your reaction to those developments.

A. My reaction to that revival is extremely favorable, as I think all who know me would surmise. I have been for many years a very strong advocate of Western European unity, and, of course, President Eisenhower has also been such an advocate. Now there are some people who interpret some of the reasoning as a slap at the United States because they say they want to be independent of the United States. I don't interpret that as a slap at the United States at all. As a matter of fact, I recall in a speech I made before the American Club in Paris in November '48 I made what I at least thought was quite an eloquent plea for Western European unity and I said that the important thing is that Western Europe, which has a capacity to be strong and vigorous in its own right, should take that possibility and realize it so that it will not be dependent upon the United States or upon any other power. It does not need to fear any other power. And the idea put forward, now most vocally, perhaps, by Chancellor Adenauer, but which has renewed support now in many quarters, that Europe should become strong by itself, not so divided that it has to fear anybody or so weak that it has to depend upon anybody else, I think that thesis is unanswerable and I hope it will prevail. I had the feeling that developments in this Suez situation were moving thoughts somewhat in that direction and, if so, that probably would be a very happy byproduct, indeed, of what otherwise is a rather tragic affair.

Q. Mr. Secretary, has there been any hint or intimation from Egypt of making a separate agreement with the U.S. on the Suez dispute?

A. Well, the United States is not going to make any separate agreement with Egypt. Any agreement that is made, as far as we are concerned, will be an agreement which will be by or in the interest of all of the users of the canal, the beneficiaries of the treaty of 1888. We are not going to make any side agreements.

Q. Mr. Secretary, there have been rather widespread reports since the ending of the second London conference, where there was a decision to set up the users association, that there is a split on the one hand between the United States and the British and French on the other, or at least a difference in degree of approach. Now could you comment on that and tell us how you view it, at least?

A. As far as the formula for the users association is concerned, there is no detectable change, at least not detectable to me, between what it now is and what was planned, at least as far as the United States is concerned, and as we made known to the British and the French before the project was publicly launched in any way. There was drawn up a draft of the charter, so to speak, the articles of the users association, and what is coming into being today is almost exactly what was planned at that time. There is talk about the "teeth" being pulled out of it. There were never "teeth" in it, if that means the use of force.

Now there has been some difference in our approach to this problem of the Suez Canal. This is not an area where we are bound together by treaty. Certain areas we are by treaty bound to protect, such as the North Atlantic Treaty area, and there we stand together and I hope and believe always will stand absolutely together.

There are also other problems where our approach is not always identical. For example, there is in Asia and Africa the so-called problem of colonialism. Now there the United States plays a somewhat independent role. You have this very great problem of the shift from colonialism to independence which is in process and which will be going on, perhaps, for another 50 years, and there I believe the role of the United States is to try to see that that process moves forward in a constructive evolutionary way and does not either come to a halt or take a violent revolutionary turn which would be destructive of very much good. I suspect that the United States will find that its role, not only today but in the coming years, will be to try to aid that process, without identifying itself 100 percent either with the so-called colonial powers or with the powers which are primarily and uniquely concerned with the problem of getting their independence as rapidly as possible. I think we have a special role to play and that perhaps makes it impractical for us, as I say, in every respect to identify our policies with those of other countries on whichever side of that problem they find their interest.

Q. Mr. Secretary, would you spell out for us a little more your reaction to the Tito trip? From your point of view, is it a good development or a

bad development? Is it a reflection of weakness in the Soviet Union constellation or a sinister thing that might anticipate a strong movement?

A. Well, I think that anything which calls for action as unexpected and in a sense as dramatic as this is evidence of differences which confirm the view which we have held now for some time that the Soviet Union and the Soviet Communist Party, in groping for new policies to replace those of Stalin, have set in motion forces which they do not dare completely to repress but, on the other hand, are not willing to welcome and encourage. And this is evidence, I think, further evidence of the fact that they have a real and serious problem on their hands. But I wouldn't want to speculate as to how it would be resolved because I suspect that even the principal participants in this thing don't know at this particular moment how it will be resolved. We can't judge that until afterward.

Q. Mr. Secretary, in the resolution of the problem, what is your understanding or estimate at this time of what Marshal Tito's role is? Is it as a nonalined individual or as a friend of the Soviet Union or a friend of the Western Powers?

A. Well, I have no reason to doubt that his general policy is that which we discussed together when I was in Brioni and which I have already referred to, namely, that the now satellite countries should have a greater measure of independence.

Q. Mr. Secretary, you say you have no reason to doubt—do you mean you have no reason to think that he has changed?

A. That's right, I have no reason to think that he has changed his policy.

Q. May I ask something else on this subject, going back to something you said a while ago? You said you had asked the Attorney General for an opinion on the application of the law. The question related to a certain specific point which had been raised in the law. I understood your answer to relate to the date. Do you mean you have asked the Attorney General whether the President's decision might be given at a later time than October 16 and still be effective?

A. That's correct.

Q. Mr. Secretary, there seems to be reason to believe that Japan and Russia are going to sign an agreement terminating a technical state of war without getting into the question of territories, a sort of West German type settlement; that the Prime Minister will go to Moscow to settle that situation with the Soviets. I have two questions. First of all, would you care to comment about that type of settlement; and, secondly, since the United States has a partly responsible role in the territories, do we propose any type of action in the future that will settle that question?

A. I would prefer not to comment on the course that is being followed by the Japanese Government at the present time. It's primarily their problem and, so long as they work it out in ways which do not infringe upon our rights under the Japanese peace treaty, I think we must recognize and do recognize that they have freedom of action, freedom of choice. I don't know myself just what the solution will be or whether it will work, but I believe that they must be and are the masters of their own destiny in this respect.

Relations With Panama

Q. Mr. Secretary, in Panama there seems to be some misunderstanding still about the United States–Panama treaty governing the Canal Zone.[4] The outgoing President yesterday criticized our attitude toward implementing this treaty, and the incoming President said he didn't see it as an insurmountable obstacle and he was confident the United States would do the right thing. I wonder if you would comment on that situation.

A. I was favorably impressed by the moderate tone of the statements made by the outgoing and incoming Presidents on this matter. The reality is that on all the fundamentals, I think, we get on extremely well with the Republic of Panama. It's a difficult situation. The Panama Canal cuts right through the middle of the territory of the Republic of Panama, and you can't have a situation like that without having differences. So far these differences have been discussed, discussed very frankly. The last time they were discussed was when the President and I were in Panama at the meeting last July of the Presidents. And we can talk these things over very frankly, very openly. It is difficult to get solutions which are

[4] For text, see *ibid.*, Feb. 7, 1955, p. 238.

not only agreed to on paper as they had been agreed to by the recent treaty of 1955, I think it was, but which actually operate in terms of the human beings that are there. There are natural tendencies on the part of our people, military and civilian, who are concerned with the operation of the canal, to have certain privileges which they think they are entitled to in the way of PX's and things of that sort. And stuff gets out from them improperly in ways that compete with the business of the merchants of Panama. There are questions of rates of pay and whether or not there is discrimination against the citizens of Panama. These are awfully difficult problems to work out in terms of your day-to-day application of the treaty.

Now, I think that they are being worked out; a great deal of progress has been made. I'm not such a Utopian as to think there will never be any problems between us because of the nature of the situation. As I say, where there is a strip that we control 10 miles wide running right through the middle of Panama, there are almost sure to be differences from time to time. But if the spirit that prevailed in the past continues to prevail, we will work them out.

Q. Mr. Secretary, both last week and this week you sounded like you could make a political speech on this Argentine question, and I was wondering if you might before the elections.

A. Well, I'm still holding at least the remnants of hope which I expressed earlier, that I would not get politically into this campaign. I am not sure how long I will hold out, but I haven't given in yet.

Q. Mr. Secretary, the Israel Government has expressed the desire to participate in the Suez debate in the Security Council. What is this Government's view of such a participation by Israel in the debate?

A. Well, I think that that matter had been adjourned for a decision when it came up last week, and it will probably come up again this week or perhaps at a later stage. It seems to me that the views of Israel ought to come in some form or manner to the knowledge and consideration of the Security Council. Now, we have to handle that matter with some care as a practical matter so that we don't open the door to everybody to come in, as that would make it a process which would have no end. So the precise form and manner of the presentation of the Israel case still remains to be decided. But I certainly think that Israel's point of view, and their case of violation of the treaty of 1888, as found by the Security Council in 1951,[5] that ought to come in some form or manner to the attention of the Security Council.

Q. Mr. Secretary, another point on Latin America. Yesterday a couple of leading Argentine newspapers took exception to the expression of regret on the part of the President over the death of President Somoza of Nicaragua,[6] the plain implication being that we should welcome, so to speak, the demise of a dictator. Against the background of your remarks about Mr. Perón, do you want to comment on that in any way?

A. Well, you know, one of the basic principles of the American Republics organization is to avoid interference in the internal affairs of other countries. I do not believe that it is productive to interfere, and I believe that a failure to practice the customary amenities as between sovereign states could be looked upon as a form of interference. I realize that the American Republics are much divided among themselves on the question of democratic governments as against so-called dictator governments. But I do not think that, whatever our own views may be, it is wise or profitable to carry those views into the current conduct of our relations with these countries.

Q. Mr. Secretary, there have been frequent reports within the last few days about the possibility of a compromise with Iceland on the base problem. Do you see the possibility of such a compromise, to leave our troops there beyond early 1958?

A. Well, we have not started any actual negotiations, nor do we know what the position of the Icelandic Government is going to be when we do start a negotiation. All I can say is that the fact that there is going to be a negotiation and that the representatives of Iceland came all the way here to try to create an atmosphere which would be favorable to a good and successful negotiation, all that gives me ground for hope that out of our negotiation, when it starts, there will come some positive, fruitful results.

Q. Mr. Secretary, coming back to Europe,

[5] *Ibid.*, Sept. 17, 1951, p. 479.

[6] See p. 573.

would you accept the idea developed in some European circles that the United Europe should become an independent group, a sort of a third international force which would lead a kind of neutralist policy between the United States of America and the U.S.S.R.?

A. Well, you have asked two questions there. It certainly is, I think, quite appropriate that Europe should become what you might call a third great power. The Soviet Union is today a great power. The United States is today a great power. The Western European countries have it within their capacity to be a great power. I remember that Mr. Attlee remarked, "Europe must federate or perish," and, while that was perhaps somewhat of an overstatement, it does indicate the importance of there being a unity which will provide strength. Now, the idea that they would be neutral toward Soviet communism is, I think, unthinkable. All of the premises of Western society, the whole nature of Western civilization, the fact that Western Europe is now the cradle of Christianity, all of this to my mind makes it unthinkable that if that new force came into being it would be neutral toward materialistic and atheistic communism.

Q. Mr. Secretary, I believe you have an appointment with Mr. Javits. What is the purpose of this? Is it at his suggestion or yours?

A. Well, it is his suggestion that he come to see me. He is a person I think very highly of. I knew him when he was a member of the Foreign Affairs Committee and he is in Washington and it is quite natural that he should drop in to see me.

U.S.–Icelandic Discussions Regarding 1951 Agreement

Following is the text of a joint communique issued on October 3 at the close of discussions with Icelandic Foreign Minister Emil Jonsson.

Representatives of the Governments of Iceland and the United States have concluded frank and friendly conversations, in the spirit of their mutual obligations under the North Atlantic Treaty, in which they have discussed the defense functions under the United States–Icelandic Agreement of 1951 concerning the defense of Iceland and the North Atlantic area. These conversations, which had the purpose of ensuring that each Government has a better conception of the principles underlying the other Government's approach to the problem under discussion, were preliminary to formal negotiations on the Agreement. At today's meeting it was decided that it would be mutually advantageous to begin negotiations in Reykjavik in mid-November.

Suez Canal Users Association Organized at London

Following are texts of resolutions adopted at London on October 4 by the Council of the Suez Canal Users Association.

Resolution on the Organization of the Suez Canal Users Association

The Council of the Suez Canal Users Association,

Considering the Declaration of September 21, 1956,[1] under which the Association was inaugurated on October 1, 1956;

Desiring to provide for the organization of the Association in accordance with the Declaration;

Resolves as follows:

Part I—Organs

Article 1

The organs of the Association are:

(A) A Council;

(B) An Executive Group, and

(C) An Administrator.

Part II

Article 2

The Council consists of all members.

Article 3

(A) Sessions of the Council shall be convened once every six months. They shall also be convened whenever one of the members gives notice to the Administrator that it desires a session to be arranged, or at the request of the Executive Group. Whenever possible, notice of ten days should be given to members before the Council is summoned.

(B) The Council may hold sessions in any place other than the headquarters of the Association, if the Chairman of the Council deems it necessary or

[1] BULLETIN of Oct. 1, 1956, p. 508.

at the request of two-thirds of the members of the Association.

Article 4

Two-thirds of the members shall constitute a quorum for the meeting of the Council.

Article 5

The Council shall:

(A) Elect at each session from among its members its chairman and vice-chairman, who shall hold office until the next session;

(B) Determine its own rules of procedure, except as otherwise provided herein.

Article 6

The Council shall:

(A) Elect the members to be represented on the Executive Group in accordance with Article 7;

(B) Appoint an Administrator after taking into account the recommendation of the Executive Group;

(C) Review the expenditure and approve the budget of the Association;

(D) Consider any matter within the purposes of the Association, request the Executive Group to study and report on any such matter, and give directives on the general policy and operations of the Association to the Executive Group and through it to the Administrator; and

(E) Receive, consider and take any necessary action on reports of the Executive Group.

Part III—The Executive Group

Article 7

(A) The Executive Group shall consist of seven nations which shall be chosen by the Council of the Association from among the members with due regard to use of the Suez Canal, pattern of trade and geographical distribution.[2]

(B) The members of the Executive Group shall be elected initially for one year.

Article 8

(A) The Executive Group shall elect its chairman and adopt its own rules of procedure except as otherwise provided herein;

(B) The Executive Group shall meet as often as may be necessary for the discharge of its duties, upon the summons of its chairman, upon request by any one of its members or upon request by the Administrator. It shall normally meet at the headquarters of the Association but meetings may take place elsewhere as convenient.

Article 9

(A) The Executive Group shall recommend to the Council a candidate or candidates for appointment as Administrator.

(B) The Executive Group shall make recommendations to the Council for the terms and conditions of service of the Administrator and the staff.

Article 10

(A) The Executive Group shall, in accordance with the directives of the Council given under Article 6(D), be responsible for giving policy guidance to the Administrator in carrying out the purposes of the Association.

(B) The Executive Group may advise the Council on means for carrying out the purposes of the Association.

Article 11

(A) The Executive Group shall report to the Council, as necessary, at each session on the work of the Association since the previous session of the Council.

(B) The Executive Group shall submit to the Council the financial statements and budget estimates of the Association, together with its comments and recommendations.

Article 12

The following provisions shall apply to voting in the Executive Group:

(A) Each member shall have one vote.

(B) All decisions shall be by a majority vote of the members present and voting.

Part IV—The Administrator

Article 13

The Administrator shall be the chief administrative officer of the Association and shall, subject to the provisions of Article 9, appoint the staff of the Association.

Article 14

The Administrator shall prepare and submit to the Executive Group financial statements and budget estimates.

[2] On Oct. 5, the final day of the organizational session, the SCUA appointed the following six members to the Executive Group: France, Iran, Italy, Norway, the United Kingdom, and the United States.

Article 15

The Administrator shall keep members informed with respect to the activities of the Association.

Part V—Headquarters

Article 16

The headquarters of the Association shall be established in a place to be determined by the Council. The Administrator may, with the approval of the Executive Group, establish additional offices elsewhere.

Resolution on Finance

The Council resolves that:

1. The basis for the permanent financing of the Association shall be the subject of proposals to be drafted by the Executive Group for submission to the Council.

2. Meanwhile, members of the Association should:

(i) without prejudice to whatever cost-sharing formula may be decided upon by the Council; and

(ii) subject to later adjustment between them when this formula and the budget shall have been agreed;

advance in equal shares the funds necessary for the Association for the first three months, on the assumption that by then a permanent budget for the Association will have been agreed.

U.S.S.R. Accepts Invitation To Send Election Observers

Following is the substantive portion of a note from the Soviet Foreign Office received by the American Embassy at Moscow on September 29.

The Soviet Government accepts the invitation of the Government of the United States of America [1] to send to the United States of America two or three Soviet representatives to acquaint themselves with the electoral process by which the President and members of the United States Congress are elected. On its part the Soviet Government is prepared to receive on a basis of reciprocity two or three American representatives during the elections to the Supreme Soviet of the Union of Soviet Socialist Republics.

The Soviet Government shares the opinion of the United States Government expressed in the Embassy's note that these reciprocal trips will facilitate the development of mutual understanding between our countries. The Soviet Government also considers that these trips will facilitate the furtherance of parliamentary contacts and ties between the officials of both states.

The composition of the group of Soviet representatives will be communicated supplementarily.

U.S. Commissioner General Named for Brussels World Fair

The Department of State announced on October 3 (press release 520) that Howard S. Cullman, honorary chairman of the Port of New York Authority, was sworn in that day as the U.S. Commissioner General of the Universal and International Exhibition of Brussels for 1958. The White House announced Mr. Cullman's appointment on September 26.

The exposition, popularly known as the Brussels World Fair, is the first major one of its type to be held since World War II. Dedicated to the theme, "A World Built By and For the People," the fair will "sound a note of hope that man on the threshold of the Atomic Age may find a better means of achieving human understanding and peace."

The 84th Congress authorized U.S. participation in the exposition and provided for the appointment by the President of a commissioner general who will be in charge, under the Secretary of State, of all matters pertaining to U.S. participation.

Mr. Cullman will be assisted by two deputy commissioners who will be appointed at a later date.

The Brussels Fair is scheduled to open in mid-April and to run until October 1958. It will be the latest of the traditional international expositions in which the United States has participated. It will be comparable in importance with the Paris Exposition of 1937 and the New York World's Fair of 1939.

In addition to over 50 countries, a number of international organizations will participate in the Brussels Fair. These include the United Nations, the Organization for European Economic Cooperation, and the Council of Europe. It is expected that over 35,000,000 visitors will attend.

[1] For text of invitation, see BULLETIN of Oct. 8, 1956, p. 550.

American Policy and the Future of NATO

by C. Burke Elbrick
Acting Assistant Secretary for European Affairs[1]

It is a pleasure and an honor to be asked to join with you today in your discussion of NATO and of its relationship to some of the problems and opportunities we Americans face in the field of international relations.

What I should like to do is to examine with you the problems and progress resulting from our position in the Atlantic Community, to focus on the economic relationships between our European allies and ourselves, and finally to deal briefly with the role that NATO and our membership in it plays in our foreign policy.

The name "Atlantic Community" has come to be used, for want of a better term, for Canada, the United States, and the countries of Western Europe which have, to a considerable degree, a common heritage and history which have been marked by a concern for justice and individual liberty.

Let me begin my stressing that one of the purposes which has consistently been a part of our foreign policy since 1945 has been the maintenance of unity and cooperation with those countries of Western Europe to which we are bound by strong economic and cultural ties. The common heritage which we share with the people of Western Europe is a bond of great importance to them and to us. More than this, Western Europe possesses 25 to 30 percent of the world's industrial capacity, resources, and skilled manpower. If for no other reason, this fact alone makes it imperative that Western Europe remain allied with us in the struggle against the tyrannical forces of the international Communist conspiracy directed from Moscow.

We are all acutely aware that the basic Soviet Communist strategy for the accomplishment of world domination is "divide and conquer." This is one of the reasons why we place such great emphasis on unity with those nations and peoples with whom we share a devotion to the principles of human liberty and law.

How has the very considerable degree of unity that exists today among the members of the Atlantic Community been achieved, and how can it be maintained and strengthened?

The only existing body through which the governments of the Atlantic nations can work together on all levels—political, military, economic, and cultural—is NATO. This is not to say that all of our relations with our European friends must be channeled through NATO but rather that NATO is an established, flexible mechanism which permits and facilitates as much cooperation as the countries of the Atlantic Community decide they want to engage in.

You have discussed here today some of the forms of military cooperation which NATO has made possible. It is difficult to overestimate the contribution which this cooperation has made to the morale of the people of Western Europe, who, almost wholly defenseless in 1949, faced the threat of possible Soviet aggression.

NATO has developed the largest and most powerful collective defense force ever assembled by free nations in peacetime. It has kept Europe at peace through 7 dangerous years. Since it began, the Communists have gained no territory in Europe and have, in fact, retreated from certain advance positions. The internal riots, political strikes, and other manifestations of disorder and strife which the Communists fostered with con-

[1] Address made before the Virginia World Trade Conference at Old Point Comfort, Va., on Oct. 5 (press release 521 dated Oct. 4).

siderable effect in the early postwar years have largely died out. Meanwhile, behind the shield of NATO defensive strength it has been possible for the European peoples to rebuild their wartorn economies, increase their trade, and improve their standards of living.

NATO's record is truly impressive. But we all know that we are living in a world that no longer permits us to rest on our laurels. Laurels were not made to sit on. They have a bad habit of turning into thorns. The survival and growth of the Atlantic Community—and of the free world as a whole—cannot be guaranteed by anything that we have done in the past but will depend upon the way we deal with the problems of the future.

These problems are numerous and complex. For present purposes, however, I would like to discuss four broad problem areas. The first is the maintenance of a sound and progressive defense system. The second is the attainment of free-world economic health and growth. The third is the advancement of unity among the European nations themselves. And the last is the further development of the Atlantic Community as a whole, in a manner that will promote cooperation in all fields of human activity and will assure the lasting solidarity of Western civilization.

Military Defense System

Paradoxically, the first major problem of the Atlantic Community is so obvious that people sometimes tend to forget about it. We have heard a great deal recently about the shift in Soviet tactics from military to nonmilitary techniques of conquest. Some people have, therefore, leaped to the conclusion that military defense no longer deserves high priority. This conclusion is as dangerous as it is unwarranted. While the shift in Soviet tactics is real—and while it is true that we must give increasing attention to the political, economic, cultural, and psychological aspects of the world struggle—this does not mean that we can afford to relax our military defenses. We should remember that the Soviet politico-economic offensive is not a substitute for their military threat but is in addition to the military threat.

The Soviet Union and its satellites continue to maintain enormous military forces, capable of either general or local aggression. These forces are steadily being reinforced by growing stockpiles of nuclear weapons, long-range aircraft, improved electronic devices, and similar modern instruments of warfare. While we have reason to hope that the prospect of devastating retaliation by American and allied military forces will continue to deter the Communist bloc from risking warfare, we have no guaranty of this. We must maintain and constantly improve our defenses as an indispensable insurance policy against aggression.

It is also well to remember that this is not the kind of insurance policy that can ever be "paid up." Military science and technology are never static. Each year brings advances in weapons and techniques that would have seemed fanciful a few years ago. It is necessary, therefore, not only to keep our forces in being but also to keep them up to date. This is an expensive proposition for Americans and allies alike. But the alternative is to invite destruction.

There may still be a few Americans who view the problem of defense in purely national terms and who do not fully appreciate the importance of the collective effort that NATO represents. They feel, perhaps, that our own nuclear stockpile, our strategic air power, our great industrial capacity and other resources are sufficient to provide for American defense and that the contributions of our allies have little value. This is a very short-sighted concept. Europe has many things that we need. We need the $12 billion per year that our European allies are spending on the combined defense effort—roughly $6 for every dollar's worth of United States aid they are receiving. We need their military manpower, which is more numerous than our own. We need Europe's sea and air bases, which are so vital to effective defense and retaliation against aggression. We need their factories and mines, which, added to our own, give the Atlantic Community nearly 70 percent of the world's industrial output. We need their science and technology, which played an indispensable role in producing the first atomic bomb and which still represent an invaluable counterpart to American scientific capabilities. In combination, North America and Europe have the means to protect themselves against any foreseeable combination of hostile powers, but the task might well prove insuperable for either acting alone.

Need for Economic Stability

It is evident from what I have said that defensive power is largely a matter of economics and that our ability to maintain an adequate military "insurance policy" depends in the final analysis upon the economic health of the member nations. It is equally true that our ability to compete with the Communist bloc in the nonmilitary aspects of the world struggle—to win and hold the allegiance of nations and peoples—is also dependent upon our economic stability and growth.

This brings us to the second major problem I mentioned. While I have already observed that Europe has huge assets, our allies also face acute economic problems. The average income and living standard in Western Europe is less than half the American average. Europeans are much more heavily dependent than we on foreign trade and investment, and their economies are easily upset by adverse developments in other parts of the world. They suffer constant difficulties in balancing international payments. At present, moreover, the rate of economic growth in free Europe is only about one-half the rate of growth behind the Iron Curtain. This is a disturbing trend despite the fact that the Soviets started from a much lower base than Western Europe. The recent increase in the rate of Western European economic growth is an encouraging sign. In fact it has in recent years exceeded that of the United States.

We Americans cannot solve Europe's economic problems. These problems must be worked out by the Europeans themselves. To a considerable extent, they can be solved only within the context of a worldwide improvement in economic conditions. However, it is evident that our own economic policies have an important impact upon the world economic picture.

What has United States foreign economic policy been in relation to these developments in Europe?

However independent this country may have been of the rest of the world in former years, we know now beyond any doubt that, so long as hunger, poverty, and unrest exist to any considerable extent anywhere in the world, we cannot be entirely confident about our own peace and security. These conditions will be alleviated only as we and the rest of the world continue to increase our trade, develop our economies, and raise our standards of living.

Because of the tremendous economic strength and stability of the United States it is sometimes difficult for us to visualize how delicately balanced are the economies not only of the smaller countries but even of such relatively large and economically developed countries as Great Britain, France, and Germany. Our economic health depends upon an expanding trade; yet we must constantly seek ways of permitting and encouraging the expansion of trade without adversely affecting friendly nations whose economies are not as strong and resilient as our own.

Certainly it is unnecessary in addressing this audience and in this great port area of Hampton Roads to dwell on the importance of the freest possible exchange of goods among all countries if the peoples of the world are to attain the higher standards of living which they seek. One of the foremost natural harbors of the world, this port has from the beginnings of the Commonwealth played an important part in the economic development of America. Today, as in the past, its prosperity depends in important degree upon trade with the world, which in turn depends upon the political arrangements and relationships, the stability and unity which exist around the globe.

The coal, tobacco, and other goods which leave this harbor move because there are dollars abroad with which to buy them, because there are industries abroad which can use them, and because there is prosperity around the world which makes it possible for the industries to sell the goods they make.

It has been and remains United States policy to encourage the reduction of barriers to freer trade among our European allies and in the entire free world. We do not dictate to the sovereign independent states of Europe, and we recognize that they must themselves work out solutions to their economic problems, but we can and do point out to them that our own prosperity derives in no small measure from the absence of trade and currency restrictions among our 48 States.

There is no need to recount the tremendous progress which the Western European countries have made since 1945 in rebuilding their economies, expanding their trade, and increasing their standards of living. United States aid has, of course, played no small part in this spectacular development. Yet many difficult problems remain.

In an effort to chart a course for future economic progress, the Commission on Foreign Economic Policy, the so-called Randall Commission, in its report made in 1954,[2] offered some guidelines which are worth repeating. The report declares:

> The free world must build its long-term future, not upon extraordinary assistance from the United States, but upon the resources and the efforts of the citizens of each country. That the foundations for such an international economy have already been laid is now clear, and it is reasonable to believe that with mutual helpfulness and understanding a self-sustaining trade and payments system can be built solidly for the future.
>
> There are encouraging signs that the world stands at the beginning of an era of expansion of world trade. Industrialized countries are coming to need more and more of the materials which the under-developed areas can provide. The latter, in turn, are demanding increasingly greater volumes of the machinery, industrial materials, and highly fabricated consumer goods that go with economic growth. The time seems to be ripe for obtaining the benefits of swelling international commerce.
>
> To achieve this growth, however, the free world must remove many of the impediments which still exist to the movement of goods, capital, and currencies. All of the countries involved must seek greater stability in the economic world by adopting sound internal fiscal policies, and must demonstrate confidence in their ability to earn their own way. To a greater extent than they have hitherto recognized, many of the countries must intensify their own efforts, must strive to create an economic climate that will attract investment capital, both from their own citizens and from foreign sources, and must lift the restrictions that limit the freedom of the mechanism of international payments.
>
> In all this, the United States must exercise wise leadership. In so doing, we must remember that the alliance of the free world consists of agreements among sovereign nations.

European Unity

While Western Europe's economic position is closely related to the economic state of the free world as a whole, it is also true that there are certain economic problems peculiar to Europe. One of the major obstacles to the development of a dynamic European economy in past years has been the failure of the European nations to achieve unity among themselves. For this reason the encouragement of European unity has been a major objective of United States policy.

Europe's production and markets are divided into many small and often economically inefficient units. In the long history of the Western European countries many customs, prejudices, and local interests, originally established for purposes of self-protection, have become solidified and now form serious barriers to freer trade. The cartels, tariff walls, and other trade and currency restrictions erected many years ago limit the progress which might be realized with modern production, distribution, and financial procedures.

As Europe began to recover after World War II, it became apparent to many statesmen and economists that established economic patterns would have to be replaced by freer trade and closer cooperation or integration if the Europeans were to compete successfully in an era of expanding trade.

In 1947 Belgium, Luxembourg, and the Netherlands agreed to take the first steps toward an economic union which would eliminate tariffs between them and levy common tariffs on imports from other countries. The purpose of the Benelux Customs Union was to create an economic unit sufficiently large to enable the participants to compete successfully with larger countries in world markets. All of the necessary measures needed to achieve full economic union have not yet been adopted, but progress has been heartening.

The Economic Commission for Europe (ECE) was established in 1947 to facilitate concerted action for postwar reconstruction, raise the level of European economic activity, and maintain and strengthen economic relations among the European members of the United Nations, the United States, and the rest of the world.

An important step toward European integration was taken with the signing in 1948 of the Brussels Pact, which provided for closer collaboration in economic, social, cultural, and collective self-defense matters by France, Belgium, Luxembourg, the Netherlands, and the United Kingdom.[3]

When Congress in 1948 enacted the European Recovery Act, known as the Marshall plan, the Organization for European Economic Cooperation (OEEC) was established to assure cooperation by its 16 European member countries in their economic recovery by increasing production and trade, modernizing industry, stabilizing finances, and reducing trade barriers. With its offspring, the European Payments Union, created to facili-

[2] For excerpts, see BULLETIN of Feb. 8, 1954, p. 187.

[3] For text, see *ibid.*, Oct. 11, 1954, p. 528.

tate payments among its member countries, the OEEC has proved to be an effective organization for tackling some of the knottiest economic problems of Europe.

One more important European effort in the field of economic integration deserves mention. The European Coal and Steel Community, first advanced by French Foreign Minister Robert Schuman, was formed in 1952 by France, Germany, Italy, Belgium, the Netherlands, and Luxembourg to eliminate national barriers to trade in coal and steel among these countries and to do away with restrictive agreements on the production and marketing of these key commodities.

As the sovereign nations of Western Europe moved toward economic integration after World War II, it became apparent that a greater degree of political cooperation was necessary if significant progress was to be made in solving Europe's problems. The destructive effects of two world wars in this century have demonstrated all too clearly the disastrous results of unchecked rivalries and rampant nationalism.

I have mentioned the Brussels Pact, which in March 1948 drew together France, Belgium, Luxembourg, the Netherlands, and the United Kingdom for purposes of closer collaboration in economic, social, and cultural matters and for collective self-defense. The desire for greater unity which inspired the pact resulted a year later in the formation of the Council of Europe by the five Brussels powers and Italy, Ireland, Norway, Denmark, and Sweden, with Iceland, Germany, Greece, Turkey, and the Saar joining later. The Council of Europe has the power only to recommend policies to its member governments, yet it is valuable as a forum for stimulating actions and marshaling public opinion on major European problems.

One of the most far-reaching ideas for advancing European unity was the plan for a European Defense Community, under which the six member nations of the Coal and Steel Community would have merged their defense forces into a single supranational force. The failure of this plan represented a setback for the movement toward unity, although some of the specific advantages of the plan were salvaged by creating a Western European Union based on the original Brussels Pact. Despite this setback, the vision of a united Europe is still very much alive. At present, European governments are actively considering proposals for pooling efforts toward the development and utilization of atomic energy for peaceful purposes as well as proposals for a broad common market. While there are many obstacles to the realization of these proposals, and while it is too early to predict the outcome, there can be no doubt that many European leaders retain their determination to achieve the strength and stability which only unity can bring.

Strengthening the Atlantic Community

The United States Government will continue to encourage all practical steps toward European unity because we realize that the integration of Europe can contribute substantially to the strength and solidarity of the Atlantic Community as a whole. As the movement progresses, however, we must simultaneously devote attention to a parallel objective—the broadening and tightening of the Atlantic relationship itself. Specifically, we must consider ways and means of developing NATO as an instrument of political, economic, and social cooperation as well as a mechanism of defense.

The need for a further development of the NATO relationship has been accentuated by the new Soviet tactics of political, economic, and psychological penetration. The dangers of this new approach should not be underestimated. The Russians are expert at deceptive propaganda. They are keenly aware of the inevitable frictions among free nations, and they will be quick to exploit these frictions. They will lose no chance to incite division and weakness in the free world. This strategy will be supplemented by subtle economic pressures and enticements. Because the Russian economy is completely controlled by the state, it can and frequently is used for purely political purposes, and offers of Soviet markets and raw materials sometimes look attractive to the hard-pressed Western Europeans despite their awareness of the motives that underlie them. The United States can afford to ignore Soviet economic overtures, but our European friends cannot always do so. We believe that, because of their awareness of the danger of Soviet blandishments, the Western Europeans will take further steps toward economic integration, increased productivity, and reduced trade barriers so that the Soviet economic offensive, the real purpose of which is to break up

the unity of the Atlantic Community, will have to be abandoned.

What should be the direction of our efforts to strengthen NATO to meet this threat?

Should NATO seek to harmonize the foreign policies of its members?

Should NATO attempt to deal with the problems arising from Soviet economic offers to free-world countries?

Should NATO serve as a forum for the adjudication of political issues between its members?

Should NATO carry out informational and cultural activities designed to develop greater unity among the partners?

These and many other questions have been posed to each NATO member in a questionnaire, the replies to which are being studied by a committee known as the Three Wise Men.* Out of this study will come, we believe, some guidelines for the future development of the organization.

While the study is not yet complete, certain key facts have emerged. It is clear that none of the countries desires any kind of Atlantic "supergovernment"—that what we are all seeking is more effective cooperation on a voluntary basis. There is also a general agreement that we do not wish NATO to interfere with or duplicate the functions of other international organizations, such as the United Nations and the OEEC. Nor do we wish NATO as an organization to assume operating functions which can be more efficiently performed by individual governments. Despite these qualifications we believe that there are numerous opportunities for attaining improved cooperation among the NATO countries. By extending and intensifying the processes of political and economic consultation we hope to achieve greater and more durable cohesion of purpose and action than has ever before existed among free nations.

The United States believes that, whatever changes are proposed for the improvement of the organization and functioning of NATO, the basic task is to create and preserve unity among the nations of the Atlantic Community. Instead of concentrating our attention almost exclusively upon the dangers facing us, we must now increasingly turn our thoughts to our opportunities, toward the chances of building greater strength—political, economic, and spiritual. Such an effort, carried on successfully, could bring benefits, material and otherwise, far beyond the simple unity of action which is our defense requirement. A unified and flourishing Atlantic Community would bring rich rewards to all of the members, including the United States.

In conclusion, I believe that the United States and the other nations of the Atlantic Community have the material resources, the organizational structures, and the potential ability to deter aggression, to achieve sound economic progress, and to develop a strong, lasting, and unified community of free peoples. What is needed is the determination to apply these resources and abilities, to an even greater degree than has been the case, to the problems arising from the historical growth of political, economic, and spiritual relationships among the partners themselves and the confusion among them which Soviet communism has attempted to sow.

*Foreign Ministers Lester B. Pearson of Canada, Gaetano Martino of Italy, and Halvard Lange of Norway.

North Atlantic Planning Board for Ocean Shipping

The Department of State announced on October 5 (press release 526) that Rear Adm. Walter C. Ford, USN (retired), Deputy Maritime Administrator, will head the U.S. delegation at the eighth meeting of the North Atlantic Planning Board for Ocean Shipping at Washington, D.C., beginning October 8. This meeting is one in a regular series of meetings attended by representatives of NATO nations for the purpose of organizing merchant shipping for the common defense in an emergency.

The chairman will be Clarence G. Morse, U.S. Maritime Administrator. The U. S. delegation will include the following advisers: John W. Mann and Lehman P. Nickell of the Department of State, Paul F. Royster of the Department of Commerce, and Rear Adm. William V. O'Regan, USN, and Capt. A. G. Schnable, USN, representing the Department of Defense.

Developing Economic Power From the Energy of the Atom

Following are the texts of remarks made at an atomic energy symposium during a meeting of the Board of Governors of the International Bank for Reconstruction and Development at Washington, D.C., on September 27 by Lewis L. Strauss, Chairman of the U.S. Atomic Energy Commission, and W. Kenneth Davis, director of the Commission's Division of Reactor Development.

REMARKS BY MR. STRAUSS

I will confine my remarks on the engrossing subject of atomic energy to the broad prospects and promises of that instrument for good which Providence has placed in our hands at this juncture in human history. It is my hope that I may be able to contribute now and in the future in some very modest measure to the plans which the International Bank is making for its role in the development of the peaceful atom.

Before the proceedings of many more meetings of your Board have passed into the minute books, I feel sure that the bank will be taking an active part in spreading the benefits of atomic energy and will be financing atomic power projects in various countries.

It is now nearly noon of this September 27, 1956. Before this day ends, the demographers tell us that the population of the world will have increased by some 80,000—80,000 more mouths to be fed, 80,000 more people to be clothed, warmed, and sheltered. It would be useful if we could take such a statistic, multiply it by the per-capita consumption of kilowatt hours in a year, and derive a figure of annual, necessary increase in installed generating capacity. It would be a large figure but not very meaningful since average, annual, per-capita power use around the world varies so enormously by regions. There is also another variable in the statistical increase in per-capita power demand, even in the highly developed countries. Will it level off, or will it continue to increase? We cannot answer save to draw upon our imaginations.

But of one thing we can be fairly sure. The atom holds the hope of remedying much of the world's imbalance in standards of living. As this imbalance is overcome, to whatever degree—as more and more people enjoy the good things of life—the greater will become the worldwide civil use of electrical energy.

As of this moment, no large-scale power plant exclusively for civil use, generating cheap electricity from nuclear energy, exists anywhere in the world. Very soon, however, our British friends, as we have just heard from Sir Edwin Plowden and Sir John Cockcroft, will have dual-purpose nuclear plants in operation at Calder Hall, producing primarily plutonium for weapons and in excess of 60,000 kilowatts of electricity as useful byproduct. Here in the United States within the approaching year, the nuclear plant at Shippingport, Pennsylvania, designed for commercial power only, will begin furnishing in excess of 60,000 kilowatts of electrical energy to homes and industries of the Pittsburgh area. These are pioneer projects.

We have entered upon the era of the beneficent atom, and it is no longer a vague dream of things to come. True, we are just across the threshold and adjusting our vision to the broad vistas before us.

I shall not attempt here to recite, or even to summarize, the things that already are being done, and will be done in increasing measure, to apply the beneficial atom to medicine, agriculture, and biology and to improve the products of industry. These advances are concerned in the main with the rapidly expanding use of radioisotopes. I shall speak only of the prospects of economic and efficient nuclear *power*. It is there that both challenge and opportunity exist for bankers and

for management, no less than for the scientists and engineers who are advancing the technology of nuclear-reactor systems.

Here in the United States, because we are fortunately situated in the extent of our reserves of cheap, conventional fuels, we are some distance away from our goal of *competitively priced* nuclear power. The atom, as a source of commercial power, is up against much stiffer competition here than perhaps anywhere else in the world, with the possible exception of a few locations where hydropower is still plentiful. In most other areas of the world—for example, in the home of my distinguished British colleagues on this panel—the road to competitive electric power from atomic energy, as they have so well described it this morning, is much shorter. In fact, in some fuel-short areas of the globe, in special circumstances, a power-producing reactor of existing design would probably be economic even now.

You have doubtless noticed that speculation and estimates as to how soon we will have economic nuclear power in the United States have resulted in a guessing game in which any number of persons may play; the more the merrier. Some of the estimates are obviously too rosy; others, in my opinion, suffer from extreme caution. It is well to bear in mind that the store of technological knowledge is being expanded so rapidly and we are engaged in research and development on so many different reactor concepts that a major breakthrough, putting us at or near the goal of economic nuclear power, *could* come with some suddenness.

Progress of Past 14 Years

One has only to look back upon the very recent past to realize how dangerous it is to predict the rate of progress on this subject. It has been less than 14 years since Enrico Fermi and his team of pioneers first harnessed the power of fission in a primitive reactor in Chicago. It was but 10 years ago that a group of specialists began serious studies of the first "power pile" at Oak Ridge, Tennessee. Only 7 years ago one of the members of that Oak Ridge group, Captain—now Rear Admiral—Rickover, began work on a project that today is the atom-powered submarine *Nautilus*, a vessel that has cruised upwards of 50,000 miles without refueling. In 1954, only 2 years ago, we began an experimental program embracing five different concepts of nuclear power reactors.

Progress in this brief span of time has been remarkable. Yet only a few years ago some of our most experienced advisers counseled that it would take between 30 and 50 years before atomic energy could substantially supplement the general power resources of the world.

Since the day in December 1942 when Fermi's pile went critical, producing only a few watts of heat, we have built and operated in the United States some 80 reactors of various types and sizes, including experimental power facilities with millions of times more power than Fermi's first pile. As early as 1951 an experimental breeder reactor at the Commission's testing station in Idaho was hooked up to a small turbine and generator and has since furnished useful—but not cheap—electrical power for that installation.

Industrial participation, freed by the Atomic Energy Act of 1954 from the smothering embrace of Government monopoly, is no longer a "study program" inquiring into the feasibility of nuclear power; it is a program of action and bold enterprise. American industry now has plans to install some 700,000 kilowatts of nuclear power and to finance it through natural banking channels, without calling on the Federal Government for any direct financial support. Another 400,000 or more kilowatts is included in the Commission's Power Demonstration Program, to be carried out jointly by Government and industry. Meanwhile, the Government's own experimental program for power reactors has grown from the five concepts which I mentioned as of 1954, to nine as of today.

The fact that all this has taken place within the short space of 14 years, and most of it within the last 3 years, demonstrates two fundamentals:

First, that the anticipated time lag between discovery and practical application has been greatly compressed where atomic energy is concerned. This is a phenomenon of our times.

Secondly, that the rapidly increasing demands for additional sources of energy all over the world are exerting powerful economic, social, and political pressures on science, engineering, and management—and on Government—urging speed in establishing the atom as one of the chief sources for meeting those demands.

I shall briefly outline the response which the United States is making to this worldwide challenge. Mr. Kenneth Davis, the director of our

Division of Reactor Development, under whose able leadership so much of this progress is being made, will then tell you about our program in some detail, particularly its technical aspects.

Domestic Nuclear Power Program

Our program has as its domestic goal a nuclear power development which will justify its financing without Government subsidy—installations which will be built and operated by industry, that is to say, private utilities or local public-power groups. To achieve this goal we have a flexible partnership between Government and industry, and we believe, on the basis of progress to date, that this approach will achieve our goal within the shortest possible time. That goal is, as I have said, cheap or, at the very least, competitively priced nuclear power.

Thus far, we have resisted pressures—mainly political—to establish arbitrary goals of installed kilowatts for a set date, since we are not entered in a numbers game. We seek to improve the technology of nuclear power reactors so that we may benefit our own people—and people everywhere—by providing the *most efficient* reactors. To engage in a crash construction of atomic power plants in the United States, based on the present state of our knowledge, would neither be prudent nor would it fulfill our obligation to develop the atom for peaceful purposes. Furthermore, we would be dissipating our very finite reservoir of scientific and engineering talent. It would be using a limited asset to build primitive plants when that resource should be applied to the many yet unsolved problems of reactor technology.

Scientific and engineering skill being the most critical factor, the Commission is making a determined attack upon the manpower problem, but we anticipate that the situation will be more critical before it improves. Trained people—rather than either money or uranium—are, at the moment, the element in short supply in the peaceful development of atomic energy.

It is fortunate, therefore, that our reserves of coal, oil, and gas are recoverable at comparatively low cost and are in such quantity that we have time to investigate and experiment with many types of power reactors. It will take time for the incentives of competitive enterprise to lower the costs of construction and operation and to train large numbers of nuclear scientists and engineers.

With these conditions in mind, here is the way we operate:

The Government, that is to say, the Atomic Energy Commission, conducts in its own laboratories the basic research and experimentation necessary to prove that particular reactor concepts will advance the technology of nuclear power and that, therefore, the building of certain prototype plants for the commercial production of civilian power is justified. Industry is then offered the opportunity to build and operate such plants. We know of no other way to obtain meaningful economic cost data and operational guidance, for plants constructed by the Government on a cost-plus-fixed-fee basis afford no realistic estimate of how costs can be reduced under competitive conditions. However, if the building of a prototype plant should be indicated—on and beyond the experimental plant stage—and if industry should fail to come forward to share in the project with its time, talent, and money, then the Government would build the prototype plant. I hasten to add, however, that industry has not failed to accept its role in the concept of partnership. It has responded with enthusiasm to each proposal we have made thus far.

At the present state of the art, of course, the Government bears the cost of much of the research and development work necessary to build prototype reactors. However, as our store of technology is enlarged and as research costs become more predictable, we anticipate that industry will assume this expense as it does in other fields of industrial development. It is already beginning to do so.

There are a number of areas related to reactor development where we expect to encourage industry to take over work heretofore done by the Government. These include the handling and disposal of radioactive wastes; the development and production of new and improved reactor materials such as beryllium and zirconium; the design and manufacture of fuel elements; and the chemical processing necessary to separate the fission products from spent fuel elements.

This is the outline of the philosophy of our domestic nuclear power program, and it is our belief that it is designed in such a manner as to enable us to make important contributions to the development of atomic power throughout the world. I turn now to some aspects of the program directed toward international cooperation.

During this past week there opened at the United Nations in New York an international conference from which we hope will come agreement on the charter and working plans for a worldwide agency devoted to promoting the peaceful uses of atomic energy. I had the privilege at the opening session to welcome the delegates on behalf of our Government.[1]

The International Atomic Energy Agency will represent a fulfillment of the historic proposal laid before the United Nations in December 1953 by President Eisenhower. However, during these 3 years of patient negotiations and in anticipation of their eventual success, the United States has pushed ahead vigorously a program of cooperation with many nations in the development of the peaceful uses of nuclear energy.

It will be recalled that the International Conference on Peaceful Uses of Atomic Energy, which met in Geneva in August of last year,[2] reopened lines of scientific and technical communications that had been closed for many years. The subject of paramount interest there among the 1,400 delegates from 73 nations was the progress and possibilities of nuclear *power*.

But, even before the Geneva conference, our Government was using the authorization provided in the 1954 Atomic Energy Act for inaugurating a system of bilateral agreements of cooperation between nations interested in the civil uses of atomic energy. As of today, we have negotiated 39 research or power agreements with 37 nations.

Research Bilaterals

The so-called research bilaterals provide for the exchange of unclassified information and assistance in the development of a nuclear research program, including supplying enriched uranium fuel for research reactors. A number of countries have contracted for or are negotiating for the design and construction of such reactors. We also have worked out a procedure under which up to $350,000 in each case can be given as a grant to a research reactor project in a nation having an agreement for cooperation. Four such grants have already been earmarked for Spain, Brazil, Denmark, and the Netherlands. This activity has a direct bearing on nuclear power development in that it provides these nations with an operable and useful tool for training their own nuclear scientists and engineers in what will become their own atomic power industry.

Seven of the agreements provide specifically for assistance in developing nuclear power programs. These so-called power bilaterals would have little meaning unless fuel was available. In fact, the one question most persistently asked toward the close and after the Geneva conference was, "When, and on what terms, will enriched fuel be available for power reactors?"

President Eisenhower answered this question of availability of fuel on February 22 of this year when he designated 40,000 kilograms—40 metric tons—of U–235 to be used as needed, primarily for fueling power reactors in our own country and abroad. The allocation was 20,000 kilograms for civil uses in the United States and the same amount for our friends abroad.[3]

The Commission is presently making a comprehensive study of the additional information needed by nations trying to estimate the cost of nuclear plants to be fueled with U–235. We are aware that the surveys made by the bank on the potentials of nuclear power have emphasized the importance of this information. I hope that this data, including a detailed pricing schedule, will be available in the near future. And while I cannot forecast this schedule, I think that the example set by our announcements at Geneva last year, where we said that the price schedules there advanced were calculated to net us neither loss nor profit, may serve as a pattern. This would be in keeping with the spirit of President Eisenhower's program of developing the atom for peace.

In passing, you may be interested to note that within the year more than 700 scientists, engineers, technicians, educators, administrators, and political leaders from many nations have visited various of our installations and that nuclear power was the subject of most interest to the majority of these visitors. Also, with the opening of the fourth session of the International School for Nuclear Science and Engineering operated for the

[1] BULLETIN of Oct. 8, 1956, p. 535.

[2] For an address made at the conference by AEC Commissioner Willard F. Libby, see *ibid.*, Sept. 5, 1955, p. 381; for a report by Mr. Strauss, see *ibid.*, Oct. 10, 1955, p. 555.

[3] *Ibid.*, Mar. 19, 1956, p. 469.

Commission by the Argonne National Laboratory near Chicago in cooperation with the North Carolina State and Pennsylvania State universities, we have enrolled more than 200 graduate scientists and engineers from 39 nations for an intensive 34-week course in nuclear reactor technology.

In collaboration with Great Britain and Canada we have made available a truly enormous amount of technical information, much of which is related to nuclear power development. This has all been done in the past 2 years. For example, we have recently reviewed some 30,000 documents and reports, all of them originally "classified," and as a result approximately one-third were declassified completely and are generally available. More will certainly be released as time passes.

These are a few of the highlights of our program for international cooperation in developing useful, economic power from the energy of the atom. What I would assume makes this information of particular interest to you is the fact that in many areas of the world there is an immediate pressure to obtain new sources of energy. A number of these areas must import, in whole or in large part, the coal and oil necessary to keep their economies moving even at current levels. A new source of power in some of these areas would not only be a base for expanding technology but also for improving living standards. There are, as I have said, some communities abroad where even now the difference between the cost of power from conventional fuel and nuclear fuels is either small or nonexistent.

Unfortunately, those countries which do not have sufficient power to insure a relatively good standard of living or to support adequate industrial production also frequently lack economic ability to undertake the installation of a nuclear power system—that is to say, without credit assistance. Such may be among the first projects to come before you. Such countries, however, may have resources of uranium ore but lack the means for exploration, mining, or the building of mills for extraction of the metal. That circumstance might furnish security and sources of sinking funds for long-term loans for power purposes.

In summation, I think it is apparent that there will be a large demand for nuclear power in other parts of the world before it becomes generally economic in the United States. The acceleration of experience and the accumulation of data from the versatile programs now being pursued here will continue to point the way to reduced costs. The technical and financial resources of each country will have to be weighed in determining when nuclear power is economically justifiable for its economy.

Judging by the progress that has been made in the past few years in the United States and the growing capacity of many nations to operate nuclear power systems, there should be a sound market for nuclear power installations within the near future. A major role is indicated for the bank.

REMARKS BY MR. DAVIS

In considering the United States reactor development program, two factors should be kept in mind. The first is our long-range objective of economically competitive nuclear power in this country. This goal is difficult to achieve because we have adequate supplies of relatively cheap fuel as well as large, efficient, and economical conventional generating plants. In developing economic nuclear power we must, therefore, seek levels of efficiency beyond those which would suffice in most other areas of the world.

The second consideration is that we have no reason to believe that any single type of reactor system will satisfy the variety of our needs. As a consequence we are investigating many technical approaches to nuclear power. While this variety of approaches is partially attributable to the fact that we do not yet know which reactor concepts are the best, many other and equally important factors have influenced our program. For example, among these are the need for nuclear-power plants in a wide range of generating capacities; the need for a balance between burners, converters, and breeders; the possibility that natural uranium reactors may prove more desirable than enriched reactors in some instances; and preferences as to reactor types which may be dictated by geographical locations.

Our power-reactor program can be considered as going through three development phases which follow one another in logical sequence. The first is exploratory, dealing with basic research and development in such fields as metallurgy, physics, chemistry, and heat transfer. The second phase is the reactor experiment. In this phase a relatively

small reactor is built and operated to prove the technical feasibility of a concept. Information is gained concerning such items as reactor and systems stability, control characteristics, actual corrosion rates, and mechanical component behavior. The third phase is the prototype phase. In this stage of development, large-scale reactors are built primarily for the purpose of demonstrating the economics of a certain system. While the prototype may not be economical itself, it *will* point the way toward improvements which will, in turn, lead to truly economical power. In addition, the prototype will give experience in the operation of a nuclear power plant which must meet certain commitments as to delivery of power on demand.

Perhaps a fourth stage, that of full-scale commercial utilization, should be included, but I think this might more logically be considered as an ultimate objective rather than as a development phase.

All concepts proceed through these phases unless they are eliminated along the line as unsuccessful or lacking promise. The selection of concepts promising enough to be carried through successive phases of development is one of the more difficult tasks faced by those administering a development program of this nature.

Power-Reactor Experiments

The Commission has assumed the responsibility of providing the basic technology for power-reactor development. This work is complicated and costly, and the results are often uncertain. The design and construction of the prototype or demonstration reactors is another matter. Here the emphasis is on economics and reduction of costs. We know of no better way to achieve this end than to bring to bear normal business incentives. Hence, we have encouraged both the reactor designers and builders and the utility companies to accept the primary responsibility in the construction of these prototype reactors.

We have insisted on limited and well-defined amounts of assistance by the AEC. This is not because we wish to reduce our cost, but because we believe this leads to real progress on cost reductions. There is increasing evidence of a desire on the part of industry to move into the field of nuclear research and development. We have encouraged such participation in the development of new reactor concepts which industrial groups may have originated and in as wide a variety of feasible approaches as possible.

We may theorize as much as we will about reactor possibilities, but theory is of most value when put to the test of an experiment. It also seems clear that the need for different sizes of reactors in different locations can most likely be satisfied by more than one type of reactor. I will attempt to appraise the various possibilities at hand.

We now have several power-reactor experiments under construction:

1. An experimental boiling water reactor. This unit will have an output of 5,000 electrical kilowatts and should be in operation early in 1957 at the Argonne National Laboratory.

2. An organic-moderated reactor experiment which will produce 16 megawatts of heat. This is also scheduled for completion in 1957 at the National Reactor Testing Station in Idaho.

3. An experimental fast breeder reactor with 17,500 electrical kilowatts capacity. This reactor is planned for operation beginning in 1959.

4. Three aqueous homogeneous circulating fuel reactors. One of these is being built at Oak Ridge National Laboratory and is scheduled to be in operation by next February. The output will range from 5,000 to 10,000 thermal kilowatts.

The other two reactors of this type are smaller systems. One will have an output of 1,300 thermal kilowatts and the other 2,000 thermal kilowatts. They should be in operation at Los Alamos Scientific Laboratory by the end of this year.

5. A sodium-cooled, graphite-moderated reactor experiment of about 7,500 electrical kilowatts output. This reactor is being constructed by Atomics International, Division of North American Aviation, under contract to the AEC, and should be operating late this year.

The reactor experiments we have under way are but one phase of our program. We are also going ahead with studies of a number of more advanced concepts. One such study is for the design of a circulating liquid-metal fuel reactor to have an output of 5 to 10 megawatts of heat. Another study is being made of the closed-cycle gas system with a view toward the design of an efficient, high-temperature unit.

We are also initiating further studies of the feasibility of heavy water, natural uranium reactors as power sources. The choice between re-

actors utilizing enriched uranium and those requiring only natural uranium is a marginal one, and we believe the natural uranium type warrants further serious study.

Evaluation of Various Types of Reactors

I have not mentioned the pressurized water system in the same category as the other reactors since it has already demonstrated its applicability and, to some extent, the economical limits within which it can operate. Each of the reactor systems I have mentioned has certain advantages and disadvantages which must be carefully weighed when considering economic feasibility and the prospect of early utilization. We still do not have sufficient economic data on the basis of which any of these concepts can be eliminated. However, I will point out briefly the advantages and disadvantages of each type.

The pressurized water reactor has one large advantage just now—we know how to build and operate it and we can make reasonable estimates of initial investment. From a technical point of view, as well as that of public safety, it is one of the more stable and inherently safe systems of which we have knowledge. Although we are most familiar with this type of reactor, there remain two major disadvantages inherent in a pressurized water system, namely, high initial cost and low steam temperature. The first disadvantage can be overcome in a very large installation in which the high cost of the reactor may be spread over a large generating capacity. The pressurized water reactor under construction at Shippingport, Pennsylvania, will provide further operating experience on this type of system. The generating capacity of this unit, the first large nuclear plant in the country, will initially be 60,000 electrical kilowatts, and it is expected that improvements in performance may raise this capacity to 90,000 electrical kilowatts. Financing is a joint AEC-industry affair.

The reactor having inherent safety characteristics most similar to those of pressurized water systems is the boiling water reactor. In this reactor we permit boiling to take place in the reactor core. The steam is then formed at essentially the temperature and pressure at which it will be used. It is easy to see that, since the reactor vessel must operate at a pressure of only about 600 pounds instead of 2,000 pounds to deliver 600-pound steam to the turbines, the fabrication cost of the reactor vessel will be much less than in a pressurized water system. This saving in initial cost will not be confined to the reactor vessel alone but will extend to a large part of the piping system. The resulting decrease in initial investment should lend this type to applications in medium-capacity generating stations. However, one present disadvantage of the boiling water reactor is the possibility of radioactive contamination of the steam, in turn leading to contamination of the turbine machinery. A possible safeguard against this condition involves the expense of an intermediate heat exchanger.

The initial costs due to expensive pressure vessels can also be avoided by utilizing some coolant other than water. One alternative is the use of sodium as a heat-transfer medium. In a reactor of this type we can achieve high temperature at essentially atmospheric pressure. This high temperature may permit the generation of steam at temperature and pressure comparable to conditions found in the best fossil fuel generating stations. These advantages are offset to some extent by the necessity for more expensive containment materials, but it is still likely that the original cost of a power plant of this type will be no more than that of a boiling water system. The major economic advantage would then have to come from increased operating efficiency. A sodium-cooled system may prove to be quite flexible as to the power range over which operation will be economical. Both graphite-moderated and fast reactors of this type are being developed.

As an alternative to the use of sodium as a coolant, an experimental reactor is under construction in which an organic material will be used as moderator and coolant. It is expected that this material will not only allow a substantial reduction in pressure-vessel costs, but, since the material is essentially noncorrosive, cheap construction materials may be used and the need for expensive fuel-element cladding may be eliminated. The experiment now under construction will give data on radiation stability of the coolant and on the costs associated with the cleaning of the organic stream. These questions will have to be answered in order to evaluate the promise of reactors utilizing organics.

In all of the reactors I have been talking about a rather severe limitation on utilization of fuel is imposed by fuel-element damage and poisoning due to fission-product buildup. The necessity for

regular shutdown to allow fuel-element replacement is an additional obstacle to efficient operation. This obstacle may be overcome by using a fuel which is not subject to irradiation damage, which may be enriched while the reactor is in operation, and from which fission products may be removed without reactor shutdown. These requirements are met by a circulating fuel reactor, and, as I mentioned previously, there are two distinct circulating fuel-reactor types under development. In the aqueous homogeneous reactor the uranium may be in the form of uranyl nitrate, uranyl sulfate, or uranyl phosphate in a circulating water solution. The water acts both as a moderating medium and as a heat-transport material. This system must be highly pressurized. The corrosion problem in all of these aqueous reactors is severe but appears capable of solution. Fuel inventories are small in these systems. The cost, a very high one, of reprocessing used fuel elements is eliminated, which contributes to the overall operating economy of the reactor.

In the second circulating liquid-metal fueled reactor, we may find the solution to two major problems—high core pressures and corrosion problems. The fuel proposed for this system, a uranium-bismuth solution, will, we hope, permit the production of high-temperature steam while maintaining the core at close to atmospheric pressure. It is believed that readily available construction materials may be used for the system and that fabrication will present no serious problem. The potential cost advantages of such a system are obvious, and, while the chemical processes are different, the economic advantages occurring from fuel stability and continuous cleaning and reenriching will be the same as in the aqueous homogeneous type. Reduction in initial construction costs should allow the economic operation of smaller plants as well as those of higher capacity. Furthermore, since the fuel has no adverse reaction with water, there is no danger from this point in using such a system in a ship or submarine.

The gas-cooled reactor, especially when operating in connection with a closed-cycle gas turbine, appears in some respects to offer possible cost advantages over other types. Some of the potential advantages are light weight, compact arrangement, ease of containment, low corrosion rates, and high efficiency. But there are many problems associated with the construction of such a system. Among them are the inherently difficult problem of control and stability, and the fabrication of satisfactory fuel elements. At the present stage of gas turbine development, this reactor type seems to be limited to the lower capacity sizes—up to perhaps 20,000 electrical kilowatts. Our techniques are improving, and we feel that in the reasonably near future we may be able to begin construction of a gas-cooled reactor experiment. We are interested in an efficient gas cycle and not in a unit where inefficient, low-temperature operating conditions lead to high operating costs.

Perhaps I have seemed to overemphasize the problems which remain to be solved and the great strides which must be made if nuclear power is to become competitive. It goes without saying that problems cannot be solved before they are known. A few years ago we could only imagine what problems might be faced. We now know that some of these imagined problems could have been ignored, but other much more real ones have taken their place. While we are sure that we have not found all the problems, we are confident that the solution of those we now recognize will move us well along toward our goal. These problems do not appear insuperable. They will not be solved easily, or overnight, or without considerable expense in time and money. The fact remains, nevertheless, that we have identified them and even this knowledge is in itself a major step forward.

I have limited my discussion so far to the production of electric power from reactors. While this appears to be the most immediate application of nuclear energy, it is not too difficult to foresee the day when reactors will be used by industry to supply process heat, and in the case of the food industry as a sterilization and preservation medium. There is also a good possibility that radiation from reactors may be used to improve such processes as oil refining and to alter and improve the characteristics of many materials presently in use. There is, at this time, under construction at Brookhaven National Laboratory a reactor for medical research and therapy. The use of reactors of this type is certain to become more widespread.

Prototype Nuclear Power Plants

I should like to turn for a minute to the subject of prototype nuclear power plants. In order to bring private industry into the field of power-re-

actor development and operation, the Atomic Energy Commission initiated the Power Demonstration Reactor Program in January 1955 with an invitation to industry to submit proposals for the construction of nuclear power plants. Encouraged by the response to this first invitation, the Commission issued a second in September 1955.

As a result of the proposals which were submitted, a contract has been signed with Yankee Atomic Electric Company covering the construction of a 134,000-kilowatt generating station. This will be a pressurized water system and will involve the use of Commission funds for necessary research and development.

Five other proposals have been accepted as basis for contract negotiations. They are all of different types and are scheduled for completion in 1960 and 1961, adding another 217,000 kilowatts to the nuclear electrical capacity of the United States.

Additionally, construction permits have been issued to two public utility companies and to the General Electric Company for the construction of nuclear plants financed entirely with private funds. One of these will be a pressurized water reactor station of 136,000 electrical kilowatts nuclear capacity. The other two will utilize boiling-water reactors, one a small plant with a capacity of 3,000 to 5,000 electrical kilowatts, and the other a full-scale plant with an electrical output of 180,000 kilowatts. These nine plants, which should be in operation by 1960, will have a combined nuclear capacity of about 660,000 electrical kilowatts.

While this is indeed an encouraging beginning, it should be kept in mind that these reactors will not be, and are not required to be, economically competitive with conventionally fueled plants. They will, however, serve as prototypes on which to base the design of more economical plants. In some cases, the excess operating costs expected during the initial years of operation will be partially offset from payments by the AEC for technical and operating data.

Making Nuclear Power Competitive

I have defined an efficient nuclear power plant as being one which, when built and operated under standard industrial financing and operating practice, will produce power at costs equal to or less than the cost of power produced by the best conventional plant built at the same time and at the same location. It is obvious that in order to meet this criterion, nuclear plants must be improved to the point where no special assistance, under any guise whatsoever, is needed. This does not mean that certain operations such as enriching of fuel cannot be carried out by the Government. It does mean that these services must be paid for, at their actual value, out of operation income.

In an effort to resolve the problems associated with the meeting of all expenses out of operating income, a vast number of studies of the economics of nuclear power have been made in recent years. In the absence of necessary development information and actual construction and operational costs, many of these studies, if not most of them, must be considered only as speculation. They have generally arrived at two conclusions: first, that the particular type of reactor favored by those making the study is more practical than other types under consideration; second, that this better reactor can produce power competitively with conventional power plants.

Although, taken separately, such studies are of limited value, I believe that, collectively, they are important since they indicate a profound belief that nuclear power can be made competitive with conventional sources even in the United States, where we have a relatively plentiful supply of cheap fuel. While there is no law of nature which says that power from nuclear fuel must be competitive with conventional power, we do know the potential is present. Certainly, no one has discovered any fundamental considerations which would appear to make economic nuclear power unlikely of accomplishment.

However, many studies and proposals overlook the development effort required to actually solve the many technical problems involved as well as the industrial effort needed to attain the desired construction and operation costs. The solution of these problems is a time-consuming and costly business requiring the imagination and ingenuity of our very best scientists and engineers.

With our present program, we will soon enter an era in which we will gain a good deal of factual data on power-reactor technology and costs. At that time it will be more appropriate to discuss the economics of such systems and to make predictions concerning future costs. In any case, the assessment of relative costs of nuclear power in comparison with conventional power cost is a difficult matter even in the United States, depending, as it

does, upon the cost of capital, tax rates, load factors, construction costs, and many local considerations. When such a comparison is attempted for reactor locations abroad, many additional factors must be taken into consideration.

It may be possible to make some general observations based upon our present state of development and upon our hopes for the future. I believe that large power reactors, construction of which is begun in the next 1 or 2 years, will, after completion and initial operation, show total power costs somewhat above those prevailing in any area of the United States which can utilize a plant of equal size. But the cost will probably be about the same as that from conventional plants in some fuel-short areas of the world which need large blocks of power. Another 2 or 3 years should see construction begun on plants which will prove to be really competitive in relatively high fuel-cost areas of the United States—and fairly generally in other areas of the world. The following 5 years or so should lead to nuclear power plants being started on a generally competitive basis with all except extremely cheap fuels in any area.

The situation regarding the course of development of small reactors is even more hazardous to predict. In general, the economic considerations for a small unit are relatively less favorable than those for a larger reactor system. For this reason, the utilization of small reactor systems may be generally behind that of the larger plants. However, it is not unlikely that there may be many circumstances in which a small reactor will have an advantage.

To repeat then, we are moving forward on many developmental fronts in order not to overlook any system which may, in time, prove successful as a source of economical power.

In conclusion, I would like to quote from an interesting article which I ran across the other day:

> Pessimists like Sir Oliver Lodge shudder when they speculate on the future. Man is not yet spiritually ripe for the possession of the secret of atomic energy, he reasons. Technically we are demigods, ethically still such barbarians that we would probably use the energy of the atom much as we used the less terrible forces that almost destroyed civilization during the last war.
>
> Others are convinced that the new insight into nature which will be granted when the structure of the atom is at last known, and with it the method of controlling its energy, must be accompanied by a spiritual advance. Each new discovery about the atom makes man more consciously part of the world about him—links him with the stars, which are themselves composed of atoms, and with the dazzling light of the sun, which springs from atomic activity—and thus impresses him with the littleness of his greed and the puerility of his disputes.

This prophetic quotation is from an article on "Atomic Energy—Is It Nearer?" by Waldemar Kaempffert in *Scientific American*. The date—August 1932! The article deals with the historical importance of the then recent work on nuclear transmutations by "two young English physicists, Dr. J. D. Cockcroft and Dr. E. T. S. Walton." It follows an article on the discovery of the neutron.

We are striving for the development of useful nuclear power with enthusiasm and with optimism, and with the conviction that this vast new source of energy will, one day, raise the standard of living throughout a peaceful world. While we are not unmindful of the formidable difficulties which confront us, we believe that it is not a question as to whether we will achieve economically useful nuclear power but rather when we will achieve it.

Procedures for Obtaining U.S. Aid on Research Reactor Projects

AEC press release dated September 21

The U.S. Atomic Energy Commission and the State Department are distributing to interested embassies and U.S. industrial organizations the details of the program for U.S. grants of up to $350,000 for research reactor projects undertaken by friendly nations that have agreements for cooperation with the United States.

The procedures are substantially those already used and tested in handling the first requests for assistance received following the offer made by President Eisenhower last year to strengthen and advance the atomic research programs of those nations included in the bilateral agreement program.

As previously announced, grants of $350,000 each have been made to Brazil, Spain, Denmark, and the Netherlands. Negotiations for similar commitments are in progress with several other nations. The Congress appropriated $5,500,000 for the program during the current fiscal year.

These grants may be made toward the financing of an approved reactor project providing the total of $350,000 is not more than one half of the actual cost. In addition to the reactor itself, a project may include experimental equipment, sup-

porting facilities, and activities necessary to make it an operable and useful training and research facility. The grants are payable when the recipient nation certifies that the project has been completed.

A detailed description of the procedures follows.

INFORMATION FOR NATIONS DESIRING U.S. FINANCIAL ASSISTANCE ON RESEARCH REACTOR PROJECTS

The U.S. Atomic Energy Commission has been given responsibility for implementing the United States offer announced by President Eisenhower on June 11, 1955, to contribute towards the cost of research reactors undertaken by "free nations who can use them effectively for the acquisition of the skills and understanding essential to peaceful atomic progress." [1] Contributions made pursuant to the President's offer are financed from funds made available under the Mutual Security Act of 1956.

A prerequisite to a financial contribution by the United States toward the cost of a research reactor project undertaken by a foreign nation is an Agreement for Cooperation in the Civil Uses of Atomic Energy between that nation and the United States. Such agreements are negotiated for the United States jointly by the Department of State and the Atomic Energy Commission.

Under an Agreement for Cooperation in the Civil Uses of Atomic Energy, the cooperating nation receives information on the design, construction and operation of research reactors and their use as research, development and engineering tools. In addition, each agreement provides a basis for authorizing private citizens and organizations in the United States to supply the cooperating government or authorized private persons under its jurisdiction, with appropriate equipment and services. Each agreement provides that the U.S. Atomic Energy Commission will furnish a specified quantity of uranium enriched in the isotope U-235. The cooperating nation assumes responsibility for using and safeguarding the fissionable material in accordance with the terms of the agreement. Each agreement further provides for the exchange of information in the research reactor field on related health and safety problems and on the use of radioactive isotopes in physical and biological research, medical therapy, agriculture and industry.

Having entered into an Agreement for Cooperation, a nation desiring U.S. participation in financing a research reactor project should submit a project proposal to the Director, Division of International Affairs, U.S. Atomic Energy Commission, Washington 25, D. C. The project proposal should include, at a minimum, information on the points listed in the enclosed "Minimum Points to be Covered in Foreign Research Reactor Proposals" (enclosure A). For purposes of expediting review, it is desirable that five copies of the proposal be submitted. Interested nations should submit their proposals when they have firm plans for the scope and nature of the project, and have tentatively selected a bid for construction of a specific reactor. The project proposal should be accompanied by a letter from the interested country, stating its desire to take advantage of the President's offer of financial assistance. It is not necessary that a contract for construction of a reactor be signed by a cooperating country prior to receipt of formal assurance of availability of U.S. funds.

The amount of the U.S. financial contribution may be set with respect to the cost not merely of a reactor per se, but of a reactor with such experimental equipment and supporting facilities and activities as are necessary to make it an operable and useful training and research tool. The U.S. grant thus envisages a "reactor project"; enclosure B lists representative items which may be considered as included within the term "reactor project," in computing the cost estimates with respect to which the amount of the U.S. contributions will be set.

A limitation of $350,000 has been set upon the amount of the U.S. contribution to any cooperating country under the program for implementing the President's offer; this amount is 50 percent of the estimated cost of an assumed typical research reactor project. In the case of reactor projects estimated to cost less than $700,000, the amount of the U.S. contribution will be set at 50 percent of the estimated cost. It is also required that any contracts with U.S. firms provide that such portions of the equipment furnished by firms as may be appropriately die-stamped as a product of the United States shall be so stamped.

The principal purpose of the review of the project proposal by the AEC is to confirm that the

[1] BULLETIN of June 27, 1955, p. 1028.

project qualifies for U.S. financial assistance under the President's offer, and that it conforms with the governing Agreement for Cooperation. In addition, the amount of the U.S. contribution is determined in the course of the review. The cooperating nation is considered as having complete responsibility for the project, and thus the review of the proposal by the AEC is not intended as a basis for extending United States concurrence in the technical details of the proposal. The review does seek to confirm that the principal problems inherent in the construction and operation of a reactor are recognized, including the problem of possible radiation hazard to the environment, and that there is reason to feel confidence that they will be competently dealt with. Essentially, the review seeks to establish that a proposed project gives the promise of promoting the skills and understanding essential to peaceful atomic progress, which is the main condition of qualification under the President's offer.

The AEC makes formal commitment as to the U.S. contribution when:

(a) a finding has been made based upon review of the project proposal, that the project qualifies for financial assistance under the President's offer, and that it conforms with the applicable Agreement for Cooperation, and
(b) formal assurance has been provided by the cooperating nation, that it has available and is prepared to expend sufficient funds for completion and subsequent operation of the reactor project.

The U.S. financial contribution will be made in the form of a grant, and paid to the cooperating nation in American dollars, upon receipt from the government of the cooperating country of a certification as to completion of the reactor project to the agreed scope, to be accompanied by a certification by the principal firm or firms which have contracted to render services in connection with the project, as to completion of such services. Such certifications as are rendered by U.S. firms shall also state that such portions of the equipment furnished by them as may be appropriately die-stamped as a product of the United States, have been so stamped.

In accordance with the terms of the governing Agreement for Cooperation, the U.S. Atomic Energy Commission is prepared to offer consultation and advice to a cooperating nation at any stage in its prosecution of a research reactor project.

Enclosure A

Minimum Points To Be Covered in Foreign Research Reactor Proposals

1. A description of the reactor, to include:

a. conceptual design of the reactor and important auxiliary equipment;
b. expected operating levels—maximum power, excess reactivity and reactivity analysis;
c. fuel, moderator, coolant, reflector and shielding;
d. reactor control system;
e. experimental irradiation facilities—thimbles, beam holes, etc.

2. A description of the reactor building, including contemplated floor plan and elevation drawings. (If the building is to provide for containment of radioactive vapor, the estimated maximum internal pressure for which it will be designed should be approximated.)

3. A description of all the facilities, including research facilities, related directly to operation and utilization of the reactor.

4. Indication of the principal organizations with which contracts will be entered into in connection with construction of the project, including the organization which will fabricate fuel elements.

5. A detailed breakdown of the estimated cost of facilities towards which the United States' financial contribution would be applied, including building, reactor, utility and other directly related auxiliary services. (When practicable, supporting bids should be provided.)

6. A schedule for construction and completion of the project, indicating dates fuel material will be required, start-up of reactor, etc.

7. A description of the organization planned to operate and utilize the facility, with indication of the training and qualifications of the principal personnel who will be responsible for the effective and safe operation of the facility. In particular, plans should be stated for fixing responsibility for performing and evaluating the hazard analysis of the reactor, and for supervision and approval of experimental procedures subsequent to the initial operation of the reactor.

8. A description of any plans to accomplish technical training deemed necessary to effective utilization of the reactor, if availability of qualified technical personnel cannot be assumed; a statement of how any such measures will be financed. Any plans for utilizing technical personnel of qualified commercial firms during design, construction, start-up and early operation, should be included.

9. An estimate of fuel requirements for the initial five years, i. e., total inventory requirements, burn-up, reprocessing and recharging rates, etc.

10. At least preliminary information on hazards and hazards control. This should include: description of the site, with maps showing the location or alternative locations of the reactor; data on population density as a function of distance and direction from the site, and the

location of nearby buildings and residential areas; environmental data, including the general meteorology, geology, hydrology and seismology of the area; contemplated restrictions on power level and excess reactivity; a general description of operating procedures and protective devices to function in event of operational errors, instrument malfunction, electric power failure or failure of the reactor cooling system; and provision for disposal of normal gaseous, liquid and solid wastes, and of such waste materials accidentally released from the reactor. (It is expected that much of this information will be general and preliminary and that the cooperating country will ordinarily complete a comprehensive hazard summary report at a later time.)

11. A brief characterization of the proposed technical program for utilization of the reactor, including types of experiments to be performed.

Enclosure B

Representative Items Which May Be Considered as Included Within the Term "Reactor Project" in Computing the Cost Estimate With Respect to Which the Amount of the U.S. Contribution Will Be Set

A. *Reactor.*

1. Fuel. Only fabrication costs of the initial fuel elements may be included.

2. Moderator and Reflector. The moderator and reflector in quantity and form ready for insertion in the reactor.

3. Core Structure. The structure containing and providing support for the fuel and moderator. (May also contain the reflector and thermal shield.)

4. Shield. Shielding as required to reduce radiation levels to tolerance dosages for personnel and equipment.

5. Cooling System. As required, may include heat exchangers, pumps and drives, piping, valves, pressure temperature and flow instrumentation, equipment for coolant, purity control and makeup.

6. Controls and Instrumentation. A complete control system for the operation of the reactor. This system will provide for normal operation of the reactor at a specified level and incorporate a number of safety features such as automatic alarms, power setbacks and reactor shutdown. It is intended to include (1) the basic sensing elements of the control system (fission and gamma chamber, thermocouples, pressure gages, flow meters, etc.), (2) the electronic and electromechanical equipment required to translate signals received from the sensing elements into motion (amplifiers, solenoid release circuits, etc.), (3) the control elements (neutron absorbing regulating and safety rods and their drives), and (4) a control console (operator's desk with key control buttons and switches and a bank of recording and indicating instruments.)

7. Miscellaneous Equipment Directly Related to the Reactor. Equipment as needed for normal operation of the reactor, including: special handling tools to be used in loading and unloading fuel, including transfer and shipping coffins, health physics instruments, off gas disposal equipment, sampling systems, etc.

8. Design, Installation and Start-up. In addition to the detailed design, procurement and fabrication of the components listed above, installation of these components, start-up and initial operation and testing of the plant.

B. *Facilities Directly Related to the Reactor.*

1. Building and Ancillary Facilities. Cost of design and construction of the building or buildings, including foundation, superstructure, overhead crane, utilities, heating and ventilation, laboratory shops and office space, site improvement and utility connections.

2. Experimental Equipment. Initial equipment to be used in conjunction with experiments utilizing the reactor or its products.

3. Disposal System. Disposal system for solid and liquid radioactive wastes.

C. *Services Directly Related to the Reactor.*

1. Consultants. Payment of qualified consultants to assist in selection of the reactor, and planning for construction and operation of the reactor project.

2. Training. On-site training of operating personnel for the reactor, prior to and during start-up.

Discussions on Current Problems in International Aviation

Press release 517 dated October 2

The Department of State has arranged for a representative group from Government and industry to meet at the Department on November 14, 15, and 16 for informal discussions on current problems of international relations in the civil aviation field.

Herbert Hoover, Jr., Under Secretary of State, has sent invitations to those who will participate. They include officers of Government agencies which have a substantive interest in this field, executives of airlines engaged in international operations, and executives of aircraft manufacturing companies.

The Department of State believes that it would be useful to both Government and industry at this time to bring a number of experienced individuals together for a full review of international developments that have a bearing on civil air relations between the United States and other governments. Information and views will be exchanged on a broad range of complex problems.

The Functions of the American Consul

by Allyn C. Donaldson
Director, Office of Special Consular Services [1]

I appreciate your invitation to speak to the Embassy (Consular) Aides Organization and to tell you something of the activities of the American consul. Actually, the role of the consul is not limited by nationality. The consul, as an institution, is almost universal; his origins, his history, and his functions give him much the same role to play today whether he is a representative of the United States or of any other civilized nation. Consequently, what I say about the functions of the American consul will generally apply very largely to the functions of a consul of any other country.

Where did the consul come from and how does he differ from the diplomat? There were agents who performed consular functions as long ago as in the days of Tyre and Carthage, but the consul as we know him dates his origin to the early Middle Ages and his rise is simultaneous with the rise of trade and commerce. In fact, it is this early preoccupation with trade and commerce that distinguishes the consul from the diplomat, a representative of the head of a state accredited to another sovereign.

The first consuls were simply prominent traders, not appointed by their own governments, whether royal or municipal, but selected by the host government as the spokesmen for their fellow traders. Only by degrees did they eventually take orders from their home countries and finally accept appointment from them. Along with commercial functions, they had certain recognized judicial powers for settling disputes among their own nationals, powers seen in our time in the consular courts now being terminated in Morocco and abandoned in China by the United States in 1943. The first consuls fostered trade and commerce and settled disputes. They also protected the interests of their fellow countrymen in foreign lands.

Establishment of American Consular Service

This protection of their fellow countrymen led directly to the establishment of the American consular service at the time of the establishment of the United States of America. Stranded seamen in France begged help from our diplomatic representatives at the court of Louis XVI. Messrs. Franklin and Morris urged the Congress to establish a consular service to relieve them of protection duties. It was Thomas Jefferson who, as Secretary of State, established our consular service in 1790. The consuls were to foster trade and commerce, aid American seamen in distress, report on the arrivals and departures of American vessels in foreign ports, and, in general, protect the interests of American merchants abroad. This was important then, because modern types of communications were not available.

Today, the functions of the consul have not changed a great deal except in regard to visa and passport matters, which did not exist in Jefferson's day. Time does not permit me to discuss our visa and passport laws and regulations. In other matters, the consul today, just as in Jefferson's time, is required to keep his country informed of trade possibilities; he is still responsible for the protection of seamen, although many

[1] Address made before the Embassy (Consular) Aides Organization at Washington, D. C., on Oct. 3.

of his former functions in this regard are now performed by the shipping agents of the various companies hiring seamen; with the great increase in travel in our time, the consul today has a serious responsibility in rendering certain protection services to his fellow citizens, particularly if they are in trouble in other lands. I would like to call your attention especially to these protection services.

Protection of American Citizens Abroad

My particular office, the Office of Special Consular Services in the Department of State, is concerned with the general protection of American citizens abroad and the protection of their property rights in foreign countries. Many inquiries are received of the "lost and found" variety: a young student fails to write home; his mother worries and writes to us; we have the nearest consul look up the young man and ask him to write his mother. Other cases are more complicated: some fathers have deserted their families in the United States and have formed new families abroad. In such situations, the consul is largely helpless, as all he can do is to give the aggrieved wife a list of local lawyers who can represent her in court action. Certain Americans abroad become mentally ill, and the consul must make every effort for their own sake and to spare embarrassment to his Government to assist the return of such persons to the United States. Through my office, he informs the nearest relatives of the situation, attempts to obtain the necessary funds, obtains any necessary attendants, transportation, etc., while we arrange in this country for appropriate hospitalization. Other Americans, either through misjudgment or through some misfortune such as robbery, find themselves alone in a foreign land completely penniless. A typical case of this kind occurred not long ago in Europe, where a young American tourist was robbed of her wallet, her passport, and all her luggage. After the first moment of panic, she went to the American Consulate General, which immediately cabled the Department to obtain passport data in order to be able to issue her a duplicate passport; my office got in touch with relatives and friends who were able to cable money promptly to enable her to return home.

Cases of Infractions of Law

The above is a typical case which can be handled without too much difficulty. A complication arises, however, if the person involved is in trouble with the local authorities for some infraction of the law. If the offense is minor, local authorities are often willing to let the consul arrange for the man's repatriation. Too many persons abroad think that it is the consul's duty to get them out of a foreign jail. Such, of course, is not the case. Where, because of the commission of an illegal act, an American is placed in jail, most civilized countries allow his consul to visit him and to aid him in any way that is appropriate, but the Department's regulations, dating back at least a hundred years, emphasize that the consul cannot interfere in the proper administration of local justice so long as the American is treated without bias and according to the same rules as apply to the citizens of the country. In other words, he is not to attempt to interfere with the proper administration of justice under local law. This right of the consul to visit one of his fellow nationals in jail is an important privilege generally included in consular conventions. It is essential that a consul interview persons in confinement in order that facts can be determined to guide his course of action. Any person who has ever been alone and friendless in another country can realize what it would mean for a man arrested by police speaking perhaps a language he does not understand to be able to get in touch promptly with his own consul. In similar manner, the Department of State uses its influence to assist consular officers of other governments accredited to the United States to obtain approval by local authorities in this country to visit any of their nationals who happen to be in difficulties with the law.

Importance of Freedom of Movement

While it is accepted, of course, that the consul must operate in accordance with the laws and regulations of the country to which he is accredited, it may be timely to point out that certain basic rights and privileges, generally granted by all states throughout history, must be accorded him if he is to perform effectively the duties of his office in regard to normal protection of his fellow citizens. Unfortunately, in some countries of the world today, contrary to generally accepted international principles, freedom of travel and movement within the area is not permitted and the consul finds it difficult, if not impossible, to extend

the normal protection of his Government to those of its citizens who are presently resident there. Conversely, when such citizens are in turn denied free access to their own official representatives, the effects are equally unfortunate. It is recognized by all civilized states who are members of the family of nations that, on humanitarian grounds, no one should be denied his freedom and liberty by a miscarriage of justice.

Unlike the consuls of certain other countries, the American consul is not permitted to perform marriages, although he may serve as a witness to a marriage of two fellow nationals and issue a Certificate of Witness to Marriage, which serves as a marriage certificate in most of the States of the United States.

The consul, in general, must protect the interests of his own people while at the same time maintaining the most friendly relations possible with the officials and citizens of the country in which he resides. When the demands on him from his own people are completely unrealistic and exaggerated, he must reject them with consummate tact. He must at all times place his own position in the host country and the dignity and interests of his own Government above the unreasonable requests for aid which might jeopardize these relations, and it is not always easy to convince a fellow citizen that he cannot overthrow the decision of a local court or obtain funds from a government for the payment of private debts.

I have stressed the services the consul performs for his own citizens, but it is obvious that he also has a most important role to perform regarding the citizens of the country in which he is accredited. For many of them he may be the first American they meet—their entire picture of the United States may be colored by the impression he makes on them. He can be the type of consul portrayed in Menotti's tragic opera, or he can be the type of consul who takes a warm interest in human beings and tries to be helpful.

In conclusion, I believe you will be interested to know that the Department of State has established a comprehensive selection and training program through which high standards for officers will be maintained and the right type of consular officer will be sent to the field. I trust that the American consular officers you encounter in your country are a credit to the United States and fulfill completely the historical role of the consul.

First Prize Essay Contest on International Travel

Arrangements have been completed for a prize essay contest to be conducted under the auspices of the Inter-American Travel Congresses. Administrative details will be handled by the Pan American Union, Washington, D. C., and will be announced shortly.

The contest is believed to be the first of its kind ever held in the field of tourism. It is open to all residents of the 21 American Republics and Canada who are connected in some way with the travel industry, either governmental or private. The topic will be "Freedom of International Travel." Cash prizes of $1,000, $500, and $250 will be awarded to the winners.

The contest was initiated by the United States delegation to the 6th Inter-American Travel Congress held at San José, Costa Rica, in April of this year.[1] Funds for the prizes were contributed by four leading U.S. organizations: the Air Transport Association of America, the American Automobile Association, the American Merchant Marine Institute, and the Rail Travel Promotion Agency.

Air Force Mission Agreement Signed With Argentina

Press release 519 dated October 3

The United States and Argentina concluded on October 3 at Buenos Aires a United States Air Force Mission Agreement providing for the assignment of a United States Air Force Mission to Argentina. Ambassador Willard Beaulac signed for the United States, and Foreign Minister Luis Podestá Costa and Air Minister Commodore Julio Krause signed for Argentina.

The mission will act in an advisory capacity to the Argentine Ministry of Aeronautics and the Argentine Air Force with a view to enhancing the technical and operational efficiency of the Argentine Air Force. The agreement is for an indefinite term and enters into force on the date of signature. The personnel complement of mission, and specific duties to be performed by it, will be the subject of discussions at Buenos Aires between

[1] For a report of the meeting at San José, see BULLETIN of June 18, 1956, p. 1029.

representatives of the United States and Argentine Air Forces.

The United States has United States Air Force Missions or Advisory Groups in 16 of the other Latin American Republics. A United States Air Force Mission was previously assigned to Argentina from 1939 to 1951. United States naval advisers have been assigned to Argentina under separate arrangements since 1935.

Fourth-Quarter Export Quota for Salk Vaccine

A fourth-quarter export quota of 7 million cc.'s of Salk poliomyelitis vaccine was announced on October 2 by the Bureau of Foreign Commerce, U.S. Department of Commerce.

The Bureau said the quota, which reflects the improved domestic supply outlook, will permit additional countries of high incidence to initiate immunization programs for children in the age groups most susceptible to poliomyelitis. It will also permit those countries which have already received initial quantities of the vaccine to obtain additional amounts for continuation and expansion of programs now under way.

In licensing against the new quota, the Bureau therefore will continue to give priority to those countries having a high incidence of poliomyelitis and which maintain effective immunization programs. A total of 1,474,522 cc.'s of Salk vaccine was licensed for export in the third quarter. It was distributed among the following countries: Argentina, Belgian Congo, Brazil, Costa Rica, Cuba, Guatemala, Iceland, Israel, Norway, Panama, Paraguay, Uruguay, and Venezuela.

Current Treaty Actions

MULTILATERAL

Bills of Lading

International convention for unification of certain rules relating to bills of lading, and protocol of signature. Dated at Brussels August 25, 1924. Entered into force June 2, 1931. 51 Stat. 233.
Accession deposited: Netherlands, August 18, 1956.

Copyright

Universal copyright convention. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.
Accession deposited: Iceland, September 18, 1956.

Customs Tariff

Protocol modifying the convention signed at Brussels July 5, 1890 (26 Stat. 1518) creating an international union for the publication of customs tariffs. Done at Brussels December 16, 1949. Entered into force May 5, 1950.[1]
Ratified by the President: September 20, 1956.

Wheat

International wheat agreement, 1956. Open for signature at Washington through May 18, 1956.
Acceptance deposited: Ireland, October 1, 1956.
Accession deposited: Saudi Arabia, October 2, 1956.

Correction

BULLETIN of September 24, 1956, p. 497—in the item headed "Germany" the date "August 6, 1956" should read "July 27, 1956."

BILATERAL

Argentina

Air Force Mission agreement. Signed at Buenos Aires October 3, 1956. Entered into force October 3, 1956.

France

Agreement for establishment and operation of a rawinsonde observation station on the island of Guadeloupe in the French West Indies. Effected by exchange of notes at Paris March 23, 1956.
Entered into force: June 18, 1956 (date of signature of an agreement embodying the technical details).

Iran

Treaty of amity, economic relations, and consular rights Signed at Tehran August 15, 1955.[2]
Ratified by the President: September 14, 1956.

Netherlands

Agreement for establishment and operation of rawinsonde observation stations in Curaçao and St. Martin. Effected by exchange of notes at The Hague August 6 and 16, 1956.
Entered into force: September 12, 1956 (date of signature of an arrangement embodying the technical details).

Treaty of friendship, commerce and navigation, with protocol and exchange of notes. Signed at The Hague March 27, 1956.[2]
Ratified by the President: September 14, 1956.

Nicaragua

Treaty of friendship, commerce and navigation. Signed at Managua January 21, 1956.[2]
Ratified by the President: September 14, 1956.

Spain

Agreement amending the surplus agricultural commodities agreement of March 5, 1956, as supplemented (TIAS 3510, 3540, 3527), by providing for the purchase of vegetable oil. Signed at La Toja September 15, 1956. Entered into force September 15, 1956.

[1] Not in force for the United States.
[2] Not in force.

DEPARTMENT AND FOREIGN SERVICE

Meeting of Foreign Service Institute Advisory Committee

The Department of State announced on October 2 (press release 515) that the Advisory Committee for the Foreign Service Institute of the Department of State was holding its third meeting in Washington that day. Present and future developments in the Institute's program of in-service training for U.S. Foreign Service officers and other Government employees engaged in foreign affairs were to be considered. The 13-man committee was appointed by Secretary Dulles to advise the Institute.

The day's agenda included a meeting with the Secretary following a luncheon in the Secretary's dining room with Deputy Under Secretary Loy W. Henderson, chairman of the committee, and the Department's Counselor, Douglas MacArthur II, as hosts. Morning and afternoon sessions were held in the office of Harold B. Hoskins, Director of the Foreign Service Institute and deputy chairman of the committee.

Those present, in addition to Mr. Henderson and Mr. Hoskins, were:

Ellsworth Bunker, President, the American National Red Cross

Robert D. Calkins, President, The Brookings Institution, Washington, D. C.

Robert Cutler, Chairman of the Board of Directors, Old Colony Trust Company, Boston, Mass.

Clyde Kluckhohn, Director, Laboratory of Social Sciences, Harvard University

William L. Langer, Chairman, Committee on Regional Studies, Harvard University

Charles E. Saltzman, Goldman, Sachs and Company, New York, N. Y.

Robert Newbegin (ex officio), Deputy Assistant Secretary of State for Personnel

The Institute's immediate goals are to increase and improve language-training opportunities for Foreign Service officers in Washington and at U.S. posts abroad, to expand other training opportunities for officers abroad, and to start a course in Washington for senior officers in the Foreign Service comparable in the diplomatic field to the advanced training given at the War College and other military colleges. The present program includes courses in career training, language instruction, modern management, and international studies.

The relation of language training to other forms of instruction, and the problem of selecting mature officers for periods of full-time training lasting 6 weeks or more were to be discussed by the committee. Mr. Hoskins also disclosed that a course of basic training, now required of all newly appointed Foreign Service officers, was being extended from 3 to 6 months to allow more time for language training at the Institute. He also told of a plan whereby an officer stationed abroad may now take a course related to his work at any nearby university, such as the Sorbonne, the University of London, or the University of Perugia in Italy, provided he obtains the permission of the Institute and of his superior in the field.

Designations

William C. Burdett as Special Assistant to the Assistant Secretary for Near Eastern, South Asian, and African Affairs, effective October 7.

Howard L. Parsons as Director of the Office of Northeast Asian Affairs, effective October 7 (press release 518 dated October 3).

Check List of Department of State Press Releases: October 1-7

Releases may be obtained from the News Division, Department of State, Washington 25, D.C.

No.	Date	Subject
*514	10/1	Delegation to Panamanian inauguration.
515	10/2	Foreign Service Institute Advisory Committee (rewrite).
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